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DOUGLAS CIVIL ENGINEERING & BUILDING CONTRACTORS

FINANCIAL TIMES

No. 27,166 Monday January 10 1977 ***12p

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off a cept ... White Child ...

NEWS SUMMARY

GENERAL RAF flies Avon home

Lord Avon 79, who as Secretary of State for the Home Office...

Mugabe, Nkomo gain support

Mondale to visit Europe

Peking clamour for Teng's return

Palestinian held by Paris police

Hunt for Brauch

Briefly

£10bn. coal scheme waits on miners' retirement deal

BY ROY HODSON

A plan to invest at least £10bn. in British coalmining over 25 years...

A planning document prepared by the Board-called Plan 2000...

Approval must be consequent on Parliament's being shown a clear statement of the long-term opportunities for marketing coal...

But a generous measure of public and Parliamentary goodwill towards the coal industry...

Half that new capacity—which would be either refurbished mines or entirely new mines—would go to raise the national coal output...

Although the forward planning encompasses a quarter of a century, time is short for the National Coal Board...

NEARLY ONE in four senior executives in a sample of Britain's major companies have actively considered moving overseas...

It also highlights the increasing threat of a management drain as dissatisfaction sets in among senior executives because of the rate of erosion of their real earnings...

SIR WILLIAM RYLAND, chairman of the Post Office, has rejected a proposal that telephone charges should be cut in view of the profits...

ITALY'S TRADE deficit in the first 10 months of 1976 virtually trebled to almost £3bn. from just over £1bn. in 1975...

CANADA expects a slowdown in capital investment and private consumption this year, with continued high levels of unused industrial capacity and high unemployment...

BRITISH LEYLAND is to increase the assembly of Land Rovers in Iran following a £14m. export contract...

THOS. W. WARD, construction and engineering group, reports a 17.5 per cent rise in pre-tax profits for the year to September 30 at £8.08m...

Approval soon for foundry aid plan

By Peter Carewright

THE EUROPEAN Commission is expected shortly to approve a U.K. Government £20m. aid scheme for the non-ferrous foundry industry...

Only minor points still have to be dealt with. If these can be cleared up, the Government will launch the project as quickly as possible...

To prevent possible hold-ups in investment programmes it has been agreed by the Department of Industry that projects started between the end of November and the formal introduction of an aid scheme will still be eligible for consideration...

Urged by the industry's trade associations, and in close collaboration with regional and local offices of the Industry Department, more than 150 applications have been submitted for funding...

The scheme closely parallels that initiated for ferrous foundries, including the 25 per cent Government grant toward approved investment projects...

Under a formula known as "2x + y" the union representatives would have the same number of Board seats as shareholders...

The report will be accompanied by a minority report signed by three company chairmen members of the Bullock Committee...

Automation

The scheme embraces all the yellow and light metals—copper, aluminium, zinc and alloys — and a comprehensive range of products from small precision components to substantial vehicle components...

Emphasis will be on investment in automation of pressure and gravity die casting, which comprises the bulk of the industry...

The industry is dominated by a handful of independent foundries of significant size in their particular sectors...

While all major U.K. vehicle producers have sizeable iron foundries, their non-ferrous foundries are insignificant...

As well as the security which executives attach to jobs in North America and North Europe, there is also the fact that higher salaries are available in those areas...

Mr. Terence Hart Dyke, managing director of BDC, also commented that "the failure rate in the more demanding parts of the Middle East is high and when money is the sole factor (for executives moving there), this can be expected."

Top Management Drain, a survey of top managers' attitudes to working overseas; Business Development Consultants (International), 26 Dorset St., London W1N 3FU; 25.

Industry steps up attack on Bullock

BY JOHN ELLIOTT, MANAGEMENT EDITOR

LEADING industrialists are planning an attack on the Bullock Industrial Democracy Report...

They will probably argue that the debate should no longer be confined to the limited Bullock terms of reference...

This opposition will build up at meetings of policy-making bodies of the CBI and the Engineering Employers' Federation...

The Bullock Report is with ministers and is due to be published about January 26. It will propose that trade union-based worker-directors should be introduced into single-tier Boards of companies employing more than 2,000 people...

Under a formula known as "2x + y" the union representatives would have the same number of Board seats as shareholders...

The report will be accompanied by a minority report signed by three company chairmen members of the Bullock Committee...

Managers from Board level to the shop floor would become demotivated by the union representatives' new power...

They will also argue that foreign companies will steer away from the U.K. because of the lack of shareholder authority and because they could not nominate their own managers...

Talks on Japan ship orders

BY DOUGLAS RAMSEY AND JOHN WYLES

A FRESH EFFORT by the EEC officials from EEC countries who will discuss proposals devised by the Commission for protecting the Community's shipbuilding industries against Japanese competition...

The latest attempt to reach an agreement with Japan within the Organisation for Economic Co-operation and Development's Shipbuilding Group is not expected to make any more progress than three previous rounds...

Deadlock in Paris will give added importance to a meeting in Brussels next week of senior officials from EEC countries who will discuss proposals devised by the Commission for protecting the Community's shipbuilding industries against Japanese competition...

More managers think of taking jobs abroad

BY NICHOLAS LESLIE

NEARLY ONE in four senior executives in a sample of Britain's major companies have actively considered moving overseas to work in the past year, according to a survey just published on management attitudes to working abroad...

This represents a significant rise in the proportion of top executives considering such a move compared with 1975 when a survey revealed a rate of about one in seven...

It also highlights the increasing threat of a management drain as dissatisfaction sets in among senior executives because of the rate of erosion of their real earnings and pay differentials...

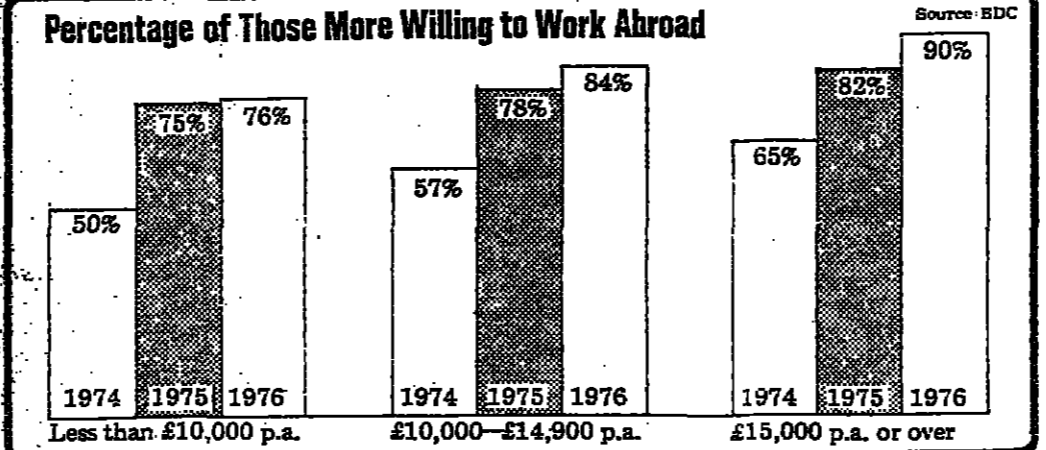
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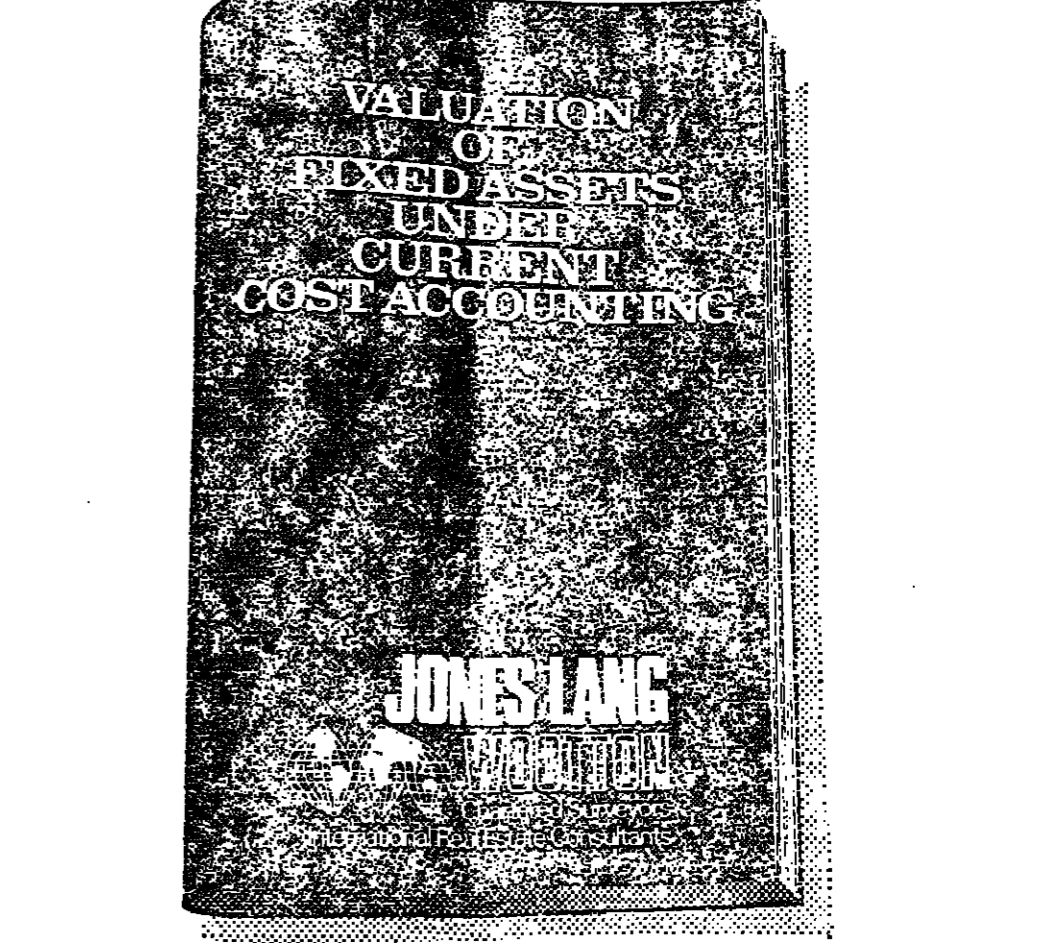
The survey shows that it is the highly-paid executive in his forties who is most actively pursuing the possibility of leaving the U.K. The reason is no longer that they are fed up with a general feeling among the public of jealousy towards the financially successful, but rather because they just want a greater total reward...

Dell queries Iran oil contract link

BY ROBERT GRAHAM TEHRAN, Jan. 9.

CLARIFICATION of Iran's crude as payment could determine whether contracts are won or lost, according to leading foreign businessmen here...

An essential guide to Portfolio Valuations.



For a copy of this booklet please write to: Jones, Lang, Wootton 103, Mount Street London W1Y 6AS

29 offices in 15 countries: Europe, Australia, South East Asia, Middle East, North America.

Table listing various sections and their page numbers, including 'Management consultants', 'Plans for Gatwick', 'Heathrow', 'Instanlian', 'UNIT TRUST groups hope that the Department of Trade will agree later this year to an increase in annual management charges', 'SIR WILLIAM RYLAND, chairman of the Post Office, has rejected a proposal that telephone charges should be cut in view of the profits', 'ITALY'S TRADE deficit in the first 10 months of 1976 virtually trebled to almost £3bn. from just over £1bn. in 1975', 'CANADA expects a slowdown in capital investment and private consumption this year, with continued high levels of unused industrial capacity and high unemployment', 'BRITISH LEYLAND is to increase the assembly of Land Rovers in Iran following a £14m. export contract', 'THOS. W. WARD, construction and engineering group, reports a 17.5 per cent rise in pre-tax profits for the year to September 30 at £8.08m'.

Improvisations

by DOMINIC GILL

It was a new departure this year for the Park Lane group to include in the final programme of its Young Artists and 20th-Century Music series... It was a new departure this year for the Park Lane group to include in the final programme of its Young Artists and 20th-Century Music series... It was a new departure this year for the Park Lane group to include in the final programme of its Young Artists and 20th-Century Music series...

Public Opinion

by ARIADNE NICOLAËFF

There are 15 theatres in Leningrad. The week I was there they offered a choice of 81 operas, ballets, plays and musicals... Public Opinion, by A Baranga, a popular Romanian dramatist, is a newspaper background here inertia and corruption prevail... The play was subtitled "The play as a newspaper background here inertia and corruption prevail..."

Faust

by ANDREW PORTER

The Metropolitan Opera opened in 1883, with Faust... The Metropolitan Opera opened in 1883, with Faust... The Metropolitan Opera opened in 1883, with Faust... The Metropolitan Opera opened in 1883, with Faust...

Slovenian cinema

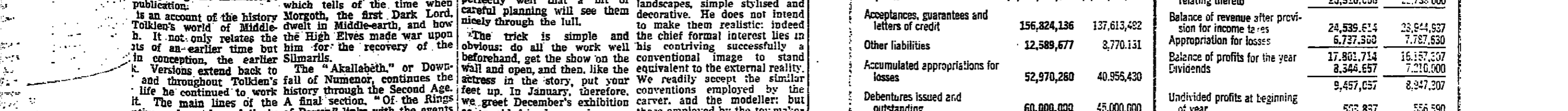
The Slovenians are a quiet people with a multiple identity... Slovenia also introduced Slovenian to the international film scene in the postwar period... Slovenia also introduced Slovenian to the international film scene in the postwar period...

Prague Opera

Fidelio, Rusalka

by B. A. YOUNG

The elegant white-and-gold Smetana Theatre in Prague does not house one of the great international operas... The elegant white-and-gold Smetana Theatre in Prague does not house one of the great international operas... The elegant white-and-gold Smetana Theatre in Prague does not house one of the great international operas...



Jeannette Pilon as Marguerite

Metropolitan Opera

advancing toward a cross, despite a "garden" made of pendant strings... advancing toward a cross, despite a "garden" made of pendant strings... advancing toward a cross, despite a "garden" made of pendant strings...

New Tolkien work

R. R. Tolkien's posthumous *Silmarillion* has been completed and will appear late in the year... Since the author's death in 1973, Christopher Tolkien, his son and literary executor, has been preparing the manuscript for publication... The work will contain not only the whole of the *Silmarillion* proper, but also the "Ainulindalë" and "Valaquenta," which consist of legends and tales of the creation of the world and the earliest days of Middle-earth... These lead into the *Silmarillion*, which tells of the time when Morgoth, the first Dark Lord, dwelt in Middle-earth, and how the High Elves made war upon him for the recovery of the *Silmarils*... The "Akallabêth," or Downfall of Numenor, continues the history through the Second Age... A final section, "Of the Rings of Power," links with the events recounted in *The Lord of the Rings* and concludes with the passing of the Ringbearers from the Havens of Mithond at the end of the Third Age... Publication date will be announced later.

Nottingham Playhouse needs larger grant

actors could be made redundant and repertory performances at Nottingham Playhouse... The Playhouse has been asked to increase its grant by 10 per cent... The Playhouse has been asked to increase its grant by 10 per cent... The Playhouse has been asked to increase its grant by 10 per cent...

Felicity Samuel Gallery

Alexander Hollweg

by WILLIAM PACKER

In one respect at least 1977 will surely remain much the same as all the years that have gone before it... Mr. Hollweg does indeed consider, and through doing so projects, a quiet month in the galleries... His sculptures are fairly small in themselves, and their imagery pitched to a very small scale, miniature painted wooden landscapes, simple stylized and decorative... Mr. Hollweg's toy worlds wear their virtues lightly, for they are certainly entertaining and enjoyable... Mr. Hollweg's toy worlds wear their virtues lightly, for they are certainly entertaining and enjoyable...

Banque Canadienne Nationale

102nd Annual Report

Condensed Statement of Assets and Liabilities as at October 31, 1976		Statement of Revenue, Expenses and Undivided Profits			
Assets	1976	1975	1975		
Cash resources	ca\$ 660,766,701	ca\$ 592,623,677	From loans	ca\$ 410,252,352	ca\$ 335,014,918
Government and other securities	748,855,636	804,056,942	From securities	60,358,253	55,797,240
Loans, including mortgages	4,061,410,278	3,296,368,427	Other operating revenue	27,423,295	31,975,175
Bank premises	41,748,606	36,112,820	Total revenue	498,411,711	422,837,376
Securities of and loans to a corporation controlled by the bank	2,932,500	3,025,500	Expenses		
Customers' liability under acceptances, guarantees and letters of credit, as per contract	155,824,136	137,613,482	Interest on deposits and bank debentures	308,367,752	257,052,229
Other assets	2,218,779	2,157,623	Salaries, pension contributions and other staff benefits	85,602,282	70,807,503
	\$5,674,756,636	\$4,871,970,541	Property expenses, including depreciation	20,612,835	17,027,672
Liabilities			Other operating expenses, including provision for losses on loans based on five-years average loss experience	37,779,531	32,581,565
Deposits	\$5,259,969,383	\$4,528,126,591	Total expenses	453,552,400	377,209,599
Acceptances, guarantees and letters of credit	156,824,136	137,613,482	Balance of revenue	45,049,614	46,577,937
Other liabilities	12,589,677	2,770,131	Provision for income taxes relating thereto	20,510,000	22,738,000
Accumulated appropriations for losses	52,970,260	40,955,430	Balance of revenue after provision for income taxes	24,539,614	23,844,937
Debitures issued and outstanding	60,000,000	45,000,000	Appropriation for losses	6,737,560	7,787,580
Capital, reserve account and undivided profits	132,402,160	111,503,297	Balance of profits for the year	17,802,714	16,157,357
	\$5,674,756,636	\$4,871,970,541	Dividends	8,344,657	7,210,000

Germain Perreault
President and Chief Executive Officer

Jacques Douville
Executive Vice-President and Chief General Manager

OVERSEAS NEWS

French arrest top Palestinian

By Robert Mauthner PARIS, Jan. 9.

THE PALESTINIAN guerrilla leader who is alleged to have organised the 1972 Munich massacre of members of the Israeli Olympic team has been arrested by French secret service agents and may be extradited to either West Germany or Israel.

ITALIAN DEFICIT SOARS

Unions reject austerity plan

BY DOMINICK J. COYLE ROME, Jan. 9.

WHILE ITALY'S trade unions, overwhelmingly their union's stand, supported by the powerful Communist Party, confirmed this week-end their outright rejection of the Government's anti-inflation programme, official data available here to-day only goes to underline the immediate problem in the country's external trading account.

Chinese wall posters demand Teng's recall

BY A SPECIAL CORRESPONDENT

PEKING CITIZENS seized the occasion of the first anniversary of the death of Chou En-lai at the week-end to call publicly on the new Chinese leadership for the re-instatement of disgraced Premier-elect Teng Hsiao-ping.

Four," led by Mao's widow, Chiang Ching-kuo. The "incident" is being described on the posters as a legal mass revolutionary movement, and likened to the May 4th movement of 1919, which grew out of a demonstration by university students against the Government for giving in to the demands of Japan at the Versailles Conference.

Commander of the Peking military region, from the district Politburo member Chen, until now seen as a moderate and strong opponent of the Gang of Four, along with most of the military, is accused on the posters of "hanging on to the coat-tails of the Gang of Four."

Wa was the man responsible for calling for order, and for the crowds to disperse on the evening of Monday, April 5, after a day of unprecedented rioting in Tian An-men square.

have been laid before the Gate of Heavenly Peace leading into the forbidden city. No attempt has been made to halt the demonstration, though it is patrolled by an unusually large number of armed troops and police.

Haig warning over Soviet arms growth

BY JUREK MARTIN WASHINGTON, Jan. 9.

GENERAL Alexander Haig, the NATO Commander-in-Chief, has added his voice to the burgeoning debate over Russian military intentions by saying in an interview here that NATO will collapse if it does not match the growth in Russian military might.

with the United States but is determined to outdo it, both in nuclear and conventional weaponry. It is felt that the near-interregnum that exists in the transition between the Ford and Carter administrations offered ideal opportunity to get this message across and hopefully to deter the new U.S. Government from making the sort of cuts which might otherwise want to carry out.

New Warsaw commander

BY DAVID SATTER MOSCOW, Jan. 9.

GENERAL Viktor Kulikov, the Chief of the Soviet General Staff, has been named Commander-in-Chief of the Warsaw Pact, and General Nikolai Ogarkov, Deputy Defence Minister, is to take over his present post, according to the official Soviet news agency Tass.

Mondale trip to prepare summit

BY JUREK MARTIN WASHINGTON, Jan. 9.

MR. JIMMY CARTER, the U.S. President-elect, has clearly concluded that another international economic summit meeting early in his presidency will serve some useful purpose over and beyond the obvious one of getting to know foreign leaders.

As Mr. Carter said at his Press conference in Plains, Georgia, yesterday, he is inclined to remain in travel until his first year in office. He would prefer that foreign Heads of State come individually to Washington and it is possible that Mr. Mondale may make arrangements for this in the course of his trip, as well as paving the way for the convening of an economic summit.

FOREIGN VERSION

All of these securities having been sold, this announcement appears as a matter of record only.

NEW ISSUE

2,300,000 Depositary Shares



Honda Motor Co., Ltd.

(A Japanese Corporation)

Representing

23,000,000 Shares of Common Stock (par value 50 Japanese Yen per share)

Merrill Lynch, Pierce, Fenner & Smith Incorporated

Nomura Securities International, Inc.

- List of financial institutions including Bache Halsey Stuart Inc., Drexel Burnham & Co., Kuhn, Loeb & Co., Paine, Webber, Jackson & Curtis, Wertheim & Co., Inc., Shearson Hayden Stone Inc., Alex. Brown & Sons, ABD Securities Corporation, Bateman Eichler, Hill Richards, Eppler, Guerin & Turner, Inc., Ladenburg, Thalmann & Co. Inc., New Court Securities Corporation, Prescott, Ball & Turben, Tucker, Anthony & R. L. Day, Inc., Algemene Bank Nederland N.V., Banco di Roma, Banque de Neuflyze, Schlumberger, Mallet, Berliner Handels- und Frankfurter Bank, County Bank, Hambro Bank, Kuwait International Investment Co. s.a.k., Merrill Lynch International & Co., The Nippon Kangyo Kakumaru Securities Company Limited, Osakaya Securities Co. Ltd., Sanyo Securities Co., Ltd., Tokai Kyowa Morgan Grenfell Limited, S. G. Warburg & Co. Ltd., The First Boston Corporation, Hornblower & Weeks-Hemphill, Noyes, Lazard Freres & Co., Lehman Brothers, Reynolds Securities Inc., White, Weld & Co., Dean Witter & Co., Warburg Paribas Becker Inc., Shields Model Roland Securities, A. E. Ames & Co., William Blair & Company, EuroPartners Securities Corporation, McDonald & Company, New Japan Securities International Inc., The Robinson-Humphrey Company, Inc., UBS-DB Corporation, Arab Finance Corporation S.A.L., Banca Commerciale Italiana, Banque Internationale à Luxembourg S.A., Banque Nationale de Paris, Banque de Paris et des Pays-Bas, Compagnie Luxembourgeoise de Banque S.A., Credit Suisse White Weld Limited, Robert Fleming and Co., Kredietbank S.A. Luxembourgeoise, Kuwait Investment Company (S.A.K.), Lazard Freres et Cie, Mitsubishi Bank (Europe) S.A., Morgan Grenfell & Co., MTBC & Schroder Bank S.A., Okasan Securities Co., Ltd., Orion Bank, Pierson, Helderling & Pierson N.V., Rothschild Bank A.G., N.M. Rothschild & Sons, Société Générale, Société Générale de Banque S.A., Union de Banques Arabes et Françaises-U.B.A.F., Vereins- und Westbank, Yamatane Securities Co., Ltd.

Israeli police to halt investigation into Ofer affair

BY L. DANIEL TEL AVIV, Jan. 9.

THE POLICE are to halt their investigation into allegations of improper conduct by Mr. Abraham Ofer, the Israeli Housing Minister, who took his life last week.

Journalist, Mr. Yigal Lavin, officially submitted a complaint against the Shikun Ovdim company, which Mr. Ofer headed before he joined the Government, and against the Labour Party, expressing the suspicion that the company had provided stolen money to the Labour Party for political purposes.

PLO link with Jordan may be aim of Saudi talks

BY MICHAEL TINGAY CAIRO, Jan. 9.

CRITICAL talks likely to affect further the much eroded independence of the Palestine Liberation Organisation began to-day meeting would take place when Egyptian Foreign Minister Fahmy left Cairo for Riyadh following a disagreement on the location and representation of the meeting.

The focus of attention is do what changes Saudi Arabia and Syria may seek in the role of the PLO which has lost much independence since Syria's successful intervention in the Lebanon civil war, was endorsed in Riyadh last October.

New threat to Europe's CAP

BY REGINALD DALE

THE ENTRY of new members into the EEC could impose to face up to fundamental reforms may add to the Community's Common Agricultural Policy if it is not first fundamentally reformed according to a study of the Community's prospective enlargement published today by the Federal Research Institute for Education and Research.

The basic problem will be the demands of the potential Mediterranean members of Greece, Portugal, Spain and Turkey for protection and support similar to that given to the temperate producers of the CAP.

WORLD TRADE NEWS

Canada expects slowdown in trade and investment

BY OUR OWN CORRESPONDENT

OTTAWA, Jan. 9. THE CANADIAN Department of Industry, Trade and Commerce has predicted that the national trade and investment rate in 1977 will be only moderately below last year's levels and that Canadian exports will be adversely affected by an expected slower growth in international trade.

In its annual statement on economic prospects, the department said that the reduction of the external stimulus on the Canadian economy this year will result in continued high levels of unused industrial capacity and high unemployment. Capital investment is expected to be weaker than in 1976 and private consumption will be less vigorous than in recent years, the report said.

Referring to the current "uncertain international environment," the Department said that international trade is expected to rise in 1977 at a rate only between half and two-thirds that of 1976. Canadian exports will rise by about two-thirds of the 12 per cent increase achieved last year.

The paper added that while the Canadian inflation rate, now about 7 per cent, will probably continue to exceed the U.S. rate, it is expected to remain lower than the average for other industrial countries.

Reviewing Canada's economic record in 1976, the Department noted that Canadian merchandise exports made a sharp recovery in the first half of the year but declined in the second half. Gains were strongest in trade with the U.S. and particularly in motor vehicles and parts.

The recovery of housing starts in the U.S. resulted in a notable increase of lumber exports to that country. Strong gains in the value of natural gas exports counteracted most of the loss in value of exports of crude petroleum.

Sumed oil agreement

BY MICHAEL TINGAY

CAIRO, Jan. 9. MOBIL OIL, the American company which has exploration agreements in Egypt's western desert near Bahya and on the Red Sea, has completed an agreement to build two lines. Delays forced the Arab Pipeline Company (which is owned by Saudi, Egyptian, Kuwaiti, Emirati and Omani capitals) into unexpected borrowing. In June 1976 Chase National Bank of Egypt brokered a cost-overrun loan of \$100m, which was drawn on by the end of the year.

With a capacity of 80m tons a year using a basic charge of \$1.60 per ton it is hoped that the Sumed will pay for itself in four years.

Exxon has already made an agreement similar to Mobil's for use of the pipeline and the company is confident that capacity early estimates of \$200m, and will be bought up.

Suez container rates reduced

EFFORTS to attract container ships to the Suez Canal have led to the reduction of the container surcharge on a six month experimental basis.

Following a long tussle between the Suez Canal Authority and the main container lines over what container owners considered an unfair surcharge of 10 per cent, levied on this traffic, the SCA has introduced this month a reduction of 5 per cent. The reduction will be in force on a temporary basis until July 1977.

Hawker investigates Harrier report

BY MICHAEL DONNE

TOP OFFICIALS of Hawker Siddeley Aviation over the week-end were investigating a report from the U.S. that the Marine Corp was having difficulty in maintaining the Harrier vertical takeoff fighter at an adequate state of combat readiness.

The report took Hawker Siddeley by surprise since the company has had no previous indication from the Marine Corp of significant operational difficulties with the Harrier.

This leads Hawker Siddeley to believe that the report deals with a situation prevailing some 18 months ago, when the Harrier was first moving into service with the Marine Corp, and the inventory of spare parts was beginning to be hit.

In recent months, as the bulk of the Marine Corp order for 110 Harriers has been worked through, the situation has improved, and the Marine Corp has expressed itself sufficiently satisfied with the Harrier to press the U.S. Government for cash to buy another 340 of the more advanced AV8B version of the Harrier.

Nevertheless, top officials of the Harrier programme who by coincidence are already in the U.S. for routine discussions go to investigate the general accounting office report on a matter of urgency and to find out directly from the Marine Corp whether there are in fact at this time any major operational difficulties over the supply of spare parts.

The U.S. report also said that the situation might now get better because the major U.S. aircraft company, McDonnell Douglas was now taking over part of the burden of making Harrier parts.

But Hawker Siddeley pointed out over the week-end that this was a matter that always had been planned, and that McDonnell Douglas will in fact be responsible for much of the production of the additional order for Harrier when this is finally approved by Congress and the U.S. Government.

Iran boost for Leyland

FINANCIAL TIMES REPORTER

BRITISH LEYLAND is to increase assembly of Land Rovers in Iran following a £14m. export contract.

Leyland International said yesterday that its Iranian distributors, Morrat Industrial Company, had confirmed orders for 1,000 vehicles. Last year the group exported 3,876 Land Rovers, worth £7.3m., to Iran through Morrat.

The new vehicles, to be shipped in knocked-down form, will be distributed throughout the rugged Land Rover-type market in Iran.

Parts will be assembled at the Morrat plant in Tehran. Morrat is currently working on an expansion programme to increase assembly capacity by 50 per cent. Leyland International said the work would further improve the group's penetration in the Middle East.

Iran is one of the main export markets for Land Rovers now being manufactured at the rate of about 1,250 a week. The vehicle, introduced in its original form in 1948, has captured 40 per cent of the rugged Land Rover-type market in Iran.

Contracts

Entreprise Miniere at Austin Company of Cleveland bid it signed a Fr.140m. contract with the Soviet import agency Turnkey contract for a 250,000 tonnes per year bitumen plant near Mina al-Ahmedi. No financial details were disclosed.

The main Canadian arm of the British Tate and Lyle Sugar and Transportation Group, Redpath Industries, has won a contract from the Cameroun Government to do a feasibility study on a large "agro-industrial" sugar complex.

World Economic Indicators

TRADE STATISTICS		Nov. 76	Oct. 76	Sept. 76	Nov. 75
K. \$bn.	exports	2,226	2,222	2,133	1,637
	imports	2,736	2,576	2,513	1,918
	balance	-0,510	-0,354	-0,380	-0,281
Germany DMbn.	exports	22.2	22.9	23.0	19.1
	imports	19.2	19.3	18.4	15.9
	balance	+3.0	+3.6	+4.7	+3.2
France Frs.bn.	exports	24,433	24,659	22,068	18,554
	imports	27,583	27,213	26,156	18,403
	balance	-3,150	-2,554	-4,088	+0,071
A \$bn.	exports	9,425	9,728	9,871	9,409
	imports	11,282	10,423	11,448	8,828
	balance	-1,857	-0,695	-1,577	+0,581
Jan \$bn.	exports	6,000	6,021	5,298	4,757
	imports	4,860	4,815	4,711	4,410
	balance	+1,140	+1,206	+0,587	+0,347
Italy Lirebn.	exports	2,965	2,713	2,230	2,040
	imports	3,295	3,225	2,576	2,274
	balance	-230	-512	-346	-194
Netherlands Fls.bn.	exports	7,845	7,817	6,933	7,489
	imports	8,247	7,623	7,142	7,914
	balance	-402	+0,194	-0,209	+0,475
Japan ¥Fr.bn.	exports	117,685	85,070	91,991	99,216
	imports	113,062	106,612	100,779	111,109
	balance	+4,623	-15,542	-8,788	-11,893

* These figures exclude trade between Belgium and Holland.

Asian airlines begin to flex their muscles

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AT CHANGI, on the eastern end of Singapore Island, work is being pushed ahead on a new airport costing over £300m, and due for completion by the early 1980s. It will be capable of handling over 20m passengers a year, and take over much of the international traffic now moving through the increasingly congested Pava Lebar airport further inland. It is a symbol of the growth not only of Singapore itself, as one of the major air junctions of the world (over 230 international airlines regularly pass through it), but also of the Republic's own flag airline, Singapore Airlines (SIA).

Notwithstanding the world-wide recession of recent years, air passenger traffic through Singapore grew at a rate of 10 per cent a year in 1974 and 1975—well above the average for the Western world—and the momentum is increasing again. Over 2.9m. passengers passed through Singapore Airport in the first eight months of 1976. The airline has been pursuing an increase of 14 per cent, over the corresponding period of 1975, with encouraging increases also in freight and mail. In the period immediately ahead, air passenger traffic in the republic is expected to grow between 11 and 16 per cent a year, reaching about 14.4m. passengers a year by 1985.

Much of this growth is due to the aggressive promotion of Singapore as a business and tourist centre in its own right. Singapore as a business and tourist centre in its own right. Singapore as a business and tourist centre in its own right.

In the short-to-medium-haul field, SIA has three Boeing 727s on order for delivery late next year, which will bring its 727 fleet to five aircraft, and which will be used on flights to Jakarta, Hong Kong, and Manila. As with other big world airlines, SIA is interested in the possibility of eventually buying a new type of medium-range jet in the 200-seat class for service some time in the 1980s, and it has been looking at Boeing's plans for the X-7 family of jets. A three-engine aircraft of this type would be suitable for the longer regional flights in the SIA network, such as Perth, Madras and Auckland.

But in common with many other developing airlines, SIA does not want to be a pioneer of new aircraft types. It will be content to wait for other, bigger operators (such as U.S. domestic airlines) to introduce this new type of equipment on to the routes in the 1980s, and SIA is not likely to settle on a fleet until the age of its existing fleet and the onset of competition oblige it to re-equip, and the new types have been proved in service by other airlines.

In the meantime, SIA continues to develop steadily, and is not afraid to innovate in the interests of its passengers. It is not a member of the world airlines body, the International Air Transport Association, but it has forced the pace of competition with IATA members on the route between Europe, Singapore, and Australasia by innovations such as sleeping berths in the upper-deck lounge of its 747s. In spite of some

cries from IATA members of "unfair competition," SIA showed no indication of being over-awed by the IATA machine even during the recent IATA annual meeting held in Singapore itself.

This confidence is a manifestation of one of the most significant and as yet largely unpublished developments in the world airline industry—the discovery by many smaller airlines, such as SIA, of a new strength, stemming from both the rapid development of civil aviation in their own countries, with all the implications for faster economic development, and from a greater awareness of their own importance to the countries of the Western world.

The clear implication of these remarks is that there should be a much more generous response by western airlines and governments to the legitimate growth aspirations of the developing airlines of South-East Asia and the Far East. There is, as yet, no suggestion of any threat—indeed the Singapore Government says it intends to continue with its current liberal aviation policy which it admits has contributed much to the economic development of the Republic itself as well as to the development of SEA. But there is no doubt that, in common with other developing countries, Singapore would like to see more reciprocity in civil aviation, and it feels that with the adoption of more realistic approaches and greater understanding by western governments, further substantial movements in aviation will be attainable.



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The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCROETERS

TRANSPORT

Less risk of leaving the rails

A NEW lightweight railway wagon bogie which could help reduce derailments significantly has been developed by Aluuisse, the Zurich-based aluminium producer.

The unit developed at a cost of £500,000 and already employed on difficult mountainous stretches of Swiss railway uses a system of independent suspension for each of the four wheels, giving anti-derailment stability on twisted, uneven or sharply curving track.

The aluminium bogie was first used in 1969 on the narrow gauge Rhaetian railway in Switzerland, which has the steepest non-cog-assisted slope to climb in Europe.

The bogie will, as a result, according to Aluuisse, reduce the risk of derailment, and ensure that cargo gets a smoother ride, where weather conditions or maintenance failure have affected the serviceability of track.

Aluuisse, which hopes to licence manufacturing rights in various countries, claims the system will suit almost any form of railway freight car in the world, regardless of track gauge.

Aluuisse puts the cost of a standard gauge model at around \$10,000 (£5,500)—about 50 per cent more than a conventional model—but the company claims the advantages of the system—reduced cargo damage—will more than outweigh the extra cost.

Under the system developed by Aluuisse the four independently suspended steel wheels of the bogie are fastened to a cross member by four angled swing arms that pivot up and down at the ends of dual-leaf springs.

In conventional bogies used in many countries around the world the ends of the front and back axles are connected so that the wheels move together. A dip in the front wheel can lead the back wheel to rise and if it goes high enough to clear the rail a derailment can result.

More information can be obtained from Mr. Jürg Zehnder, Aluuisse, SA, Buchauerstrasse 11, CH-9048 Zurich, Switzerland. RHYD DAVID

QUALITY CONTROL

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A WIDE variety of components can be subject to underwater air pressure tests with a machine introduced by Ultraseal, 768 Buckingham Avenue, Trading Estate, Slough, Berks. (Slough 268777).

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Operations are controlled by three manual valves, and there is a control panel providing adjustment of clamping and air test pressures.

COMPUTING

Pays the royalties accurately

A SOMEWHAT unusual application of the computer arises at Boosey and Hawkes, which has just awarded a contract to GMS (West End) to develop a royalties accounting system for its classical music publishing business.

Instructed in plain English

THE SECOND generation of the rapid access management information system (RAMIS) devised by Mathematica of Princeton in the U.S. has been made available in the U.K.

ELECTRONICS

Consumer electronics survey

ANOTHER pair of surveys has been announced by Jordan Dataquest, this time covering manufacturers and distributors in the consumer electrical/electronic business.

ELECTRONICS

Photoresist is fast

DEVELOPED for the integrated circuit industry is Superline 10252, a positive photoresist which is claimed to be the fastest on the market.

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CONTRACTS AND TENDERS

GOVERNMENT OF SWAZILAND

Development of an 8,000 hectare sugar cane plantation and 5,500 T.C.D. sugar factory

Prequalification Registration of Contractors

A new sugar company is to be set up in Swaziland by the Government of Swaziland. Initial works are due to start in May 1977 for first milling in September 1979, and for completion of development by December 1981.

Contractors interested in part or all of the works should write in English to the address below, indicating in the first instance the section or sections in which they are qualified to perform, with written proof of their ability, including documentary evidence of similar work carried out. The Works will be divided into the following main contracts:—

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- Civil earthworks.
- Civil engineering works.
- Housing, buildings and services works.
- Electrical reticulation works.
- Overhead irrigation supply and installation.
- Pump motor and low tension switchgear supply.
- Underground piping supply.
- Transport and field equipment supply.
- Sugar Factory equipment broken down into logical packages, e.g. handling; sucrose extraction; electrical generation and distribution; steam generation; mechanical handling; clarification, evaporation and crystallisation; pumps, piping; valves; instrumentation and buildings.
- Factory structural, mechanical and electrical erection.

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FEDERAL REPUBLIC OF NIGERIA NATIONAL ELECTRIC POWER AUTHORITY

PREQUALIFICATION OF TENDERS FOR CONTRACT NO. MS 002 FURNISHING & DELIVERING PROJECT CRANES FOR SHIRORO HYDROELECTRIC PROJECT NIGER STATE, NIGERIA

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In order to qualify as an acceptable tender, interested manufacturers must complete and submit prequalification forms. Required prequalification forms may be obtained from: Chas. T. Main International, Inc. Prudential Center, Boston, Massachusetts, U.S.A. 02199. Attention: Mr. N. P. Triano, Project Manager.

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HOME NEWS

Ministry row over beer may affect price curbs

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

A CONFLICT, the outcome of volume of complaints coming which could have implications for the long-term future of price controls, is developing between the Prices Department and the Ministry of Agriculture. It is over whether beer should be referred to the Price Commission. Even if beer is referred and the commission decides prices are too high, there is some doubt as to whether, within the present framework of controls, Mr. Roy Hattersley, Price Secretary, has the power to take action over public house prices.

Mr. Hattersley has said he wants to replace the present Price Code with a more flexible, selective system in the summer, but this may be accompanied by wider powers to take direct action on certain prices which are found to be too high. He told the TUC in November that he wanted to do something about beer prices as well as, perhaps, looking at the prices of children's footwear and clothing in more detail. The Minister apparently has bowed to pressure from other Government departments not to do anything about footwear but is still determined to tackle beer prices by referring them to the Price Commission.

He believes that beer is not only a politically sensitive product but one which is genuinely important to many families. It is also one about which his department has received a number of complaints. Since telling the TUC that he wanted to refer beer to the commission several major brewers have announced improved profits and this appears to have been increased the

that increased profits are due partly to investment and greater efficiency. The industry, which has started investing again, has managed to maintain employment at a time when other industries have been shedding labour. The question of whether beer should go to the Price Commission is likely to have to be resolved at Ministerial level. In the meantime, the Department of Prices is considering making a reference does not automatically imply an industry is making too much money. Relations between the Prices Department and the Ministry of Agriculture have been strained before—as indeed have those between the Department of Industry and the Prices Department.

Ministerial level

The Agriculture Ministry is believed to feel that the Department of Prices has concentrated a disproportionate amount of its attention on food and drink and that such intervention could endanger the Government's declared intention of encouraging a healthy private sector. The Ministry has pointed out to the Prices Department that the brewing industry already is the subject of one of the Government's sectoral working parties which are aimed at improving the performance of certain key industries. The brewers, for their part, would argue that the Government itself has put up the price of beer by increasing duty and

U.K. shipyards hope for big Polish orders

BY JOHN WYLES, SHIPPING CORRESPONDENT

VIRTUALLY all major U.K. shipyards have shown an interest in tendering to build some of the 22 ships worth up to £150m. which Poland undertook to order here last month. But the problems surrounding the Government's nationalisation plans for the industry could lead to difficulties in allocating the orders. Technical managers from the yards were given details of vessel specifications at a meeting at the headquarters of the British Shipbuilders organising committee in London last week. Tendering is expected to start shortly. At the moment the intention is that the orders will be allocated by the organising committee in consultation with the Poles. However, this plan could be upset if, as still seems likely, the bulk of the committee resigns in the wake of the departure of their chief executive-designate, Mr. J. Graham Day. The task could then fall to the Department of Industry's shipbuilding policy division, whose Under-Secretary, Mr. Michael

Labour talks on Lords

BY PHILIP RAWSTORNE

PROPOSALS for the abolition or radical reform of the Lords will be considered to-day by the Labour Party's home policy committee. The committee, under Mr. Anthony Wedgwood Benn, is expected to pass recommendations later this month to the party's National Executive Committee for eventual inclusion in Labour's next General Election manifesto. The moves follow widespread and angry party reaction to the resistance mounted last session by the Conservative majority in the Lords to the Government's legislation. A special working party report to the committee says bluntly that the second chamber cannot be allowed to continue with a membership based on heredity and patronage. The report says that "the most straightforward and practical course would be to abolish the Lords altogether" but it adds that there are doubts whether the Parliament Act could be used to force through legislation. Functions carried out by the Lords could be incorporated into the procedures of a reformed Commons, the report declares. It argues forcefully that Commons reforms should be carried out anyway to provide for more open government and greater pre-legislative consultation.

Better £ holds down costs

BY MICHAEL BLANDEN

THE BETTER performance of sterling during December should help to hold down the increase in industry's raw material costs. But output prices are likely to have continued rising, reflecting the earlier sharp decline in the value of the pound. The latest wholesale price statistics are due to be published to-day and will continue to show the effect of the depreciation of sterling as it works its way through the system. In November, the index for prices charged at the factory gate (output prices) increased by nearly 1½ per cent. The sharply higher raw material costs seen earlier in the year have still to be fully reflected in manufacturers' output prices.

Reactor success causes concern

BY DAVID FISHLOCK, SCIENCE EDITOR

THE SUCCESSFUL performance of Britain's first two advanced gas-cooled reactors since last summer could be an embarrassment to Government efforts to strengthen the U.K. power plant manufacturing industry by setting up a major British turbine contractor. The Nuclear Power Company believes it could produce a new design of AGR based substantially on the reactors in operation at Hinkley Point and Hunterston, in time to be ordered next year. Detailed inspection of the Hinkley reactor—Dr. Ned Franklin, managing director of Nuclear Power Company, himself donned protective clothing and entered the reactor—has disclosed no signs of the corrosion or deterioration which once made the AGR appear a serious commercial risk. The embarrassment arises because a Government decision to build more advanced gas-cooled reactors would effectively kill any prospects of setting up the company as the Government-sponsored turbine contractor, with the resources to compete for big power plant contracts in overseas markets. The idea of setting up the company as such a contractor is expected to be discussed by the Cabinet later this week, when it studies the report of the Central Policy Review Staff (think tank) on the power plant manufacturing industry. No matter how desirable the system may be made to appear in the U.K., the nuclear industry foresees no possibility of exporting the AGR system, which involves high capital costs, is very difficult to engineer and is dependent on work on-site. The corollary to any Government decision to set up the company as a turbine contractor is a market predominantly interested in nuclear power plants would be to give it every encouragement to build the kind of reactor almost all overseas markets demand—US-type light water reactors. Major sectors of the industry notably GEC—also view the idea of Government approval for the £500m. Drax B coal-fired station as no less damaging to export possibilities than a decision to persist with the AGR. They see Drax B as old fashioned technology of no interest overseas and of very little restricted advantage in the U.K. But Reynolds-Parsons, which dissects strongly on this view, affirmed yesterday that it remained confident that Drax B would go ahead.

'More will be out of work this year'

BY MICHAEL BLANDEN

FURTHER increases in unemployment, low economic activity and high inflation are expected during the coming year by stockbrokers Phillips and Drew. In their latest forecasts, the brokers concluded that North Sea oil "will enable the U.K. to weather the likely slowdown in world trade this year and next," but only provided that the pay policy remains intact. They said the monetary policy set out in the December economic package set a limit to domestic credit expansion which is "high enough to accommodate a double figure inflation in the foreseeable future." If the pay policy broke down, this leeway would be fully utilised. Hence the onus of bringing inflation into single figures remains on fiscal and pay policy. It has not shifted to monetary policy, the brokers say. The pay policy is expected to weaken rather than to disintegrate entirely. In the third stage, the brokers say, agreement will be reached for a low pay rise in return for cuts in direct taxation. Retail price inflation is expected to be about 15½ per cent. in the current calendar year, though declining later in the year and in the first half of 1978 coming down to about 12½ per cent. In the first half of this year, the brokers expect agreement to be reached on a sterling balance safety net and on a new voluntary pay policy. This could include a percentage pay norm of up to 4½ per cent with the alternative of a flat-rate equivalent of up to 2½ per cent, plus some greater flexibility. Agreement on these issues could help to underpin sterling, in spite of retail price-inflation accelerating to 18½ per cent year-on-year and a deficit on the current balance of payments running at an annual rate of £1.3bn. British unemployment, seasonally adjusted and excluding school leavers and adult students, could rise to 15½ per cent. Given agreement on a pay norm of this kind, the spring Budget is expected to be neutral, in demand terms but to give direct tax relief of some £1.25bn. at the expense of higher indirect taxes and possibly higher company tax. In the second half of the year, Britain's real gross domestic product could be running nearly 2 per cent higher than a year earlier, but unemployment could rise further to a peak in the winter. The balance of payments current account should improve strongly as a result of North Sea oil, producing a deficit for the whole of 1977 down to £900m. against £1,866m. in 1976. Sterling could nevertheless fall slightly. Employers in the public and private sectors will economise in the use of labour and unemployment will remain high in spite of the special relief schemes says the Henley Centre for Forecasting in this month's issue of *Prospectors' Forecasts* for the U.K. Economy.

No telephone charge cuts despite profits—Ryland

BY OUR INDUSTRIAL STAFF

SIR WILLIAM RYLAND, chairman of the Post Office, yesterday rejected a proposal that telephone charges should be cut in view of the profits—estimated at £1m a day—being made by the telecommunications side of the corporation. The suggestion came from Mr. Egon Jackson, general secretary of the Union of Post Office Workers, who said: "The public should benefit from these huge profits." But Sir William insisted that "the right approach is to keep prices as stable as possible." In a BBC Radio interview he pointed out that telephone charges had not been increased since October 1975 since when the cost of living index has risen 16 to 27 per cent. Some, for operational-connected calls, were reduced last week. At the same time the corporation had given a guarantee that the charges would not go up before the beginning of August this year "and perhaps not even then." Sir William still refused to be drawn about the possibility

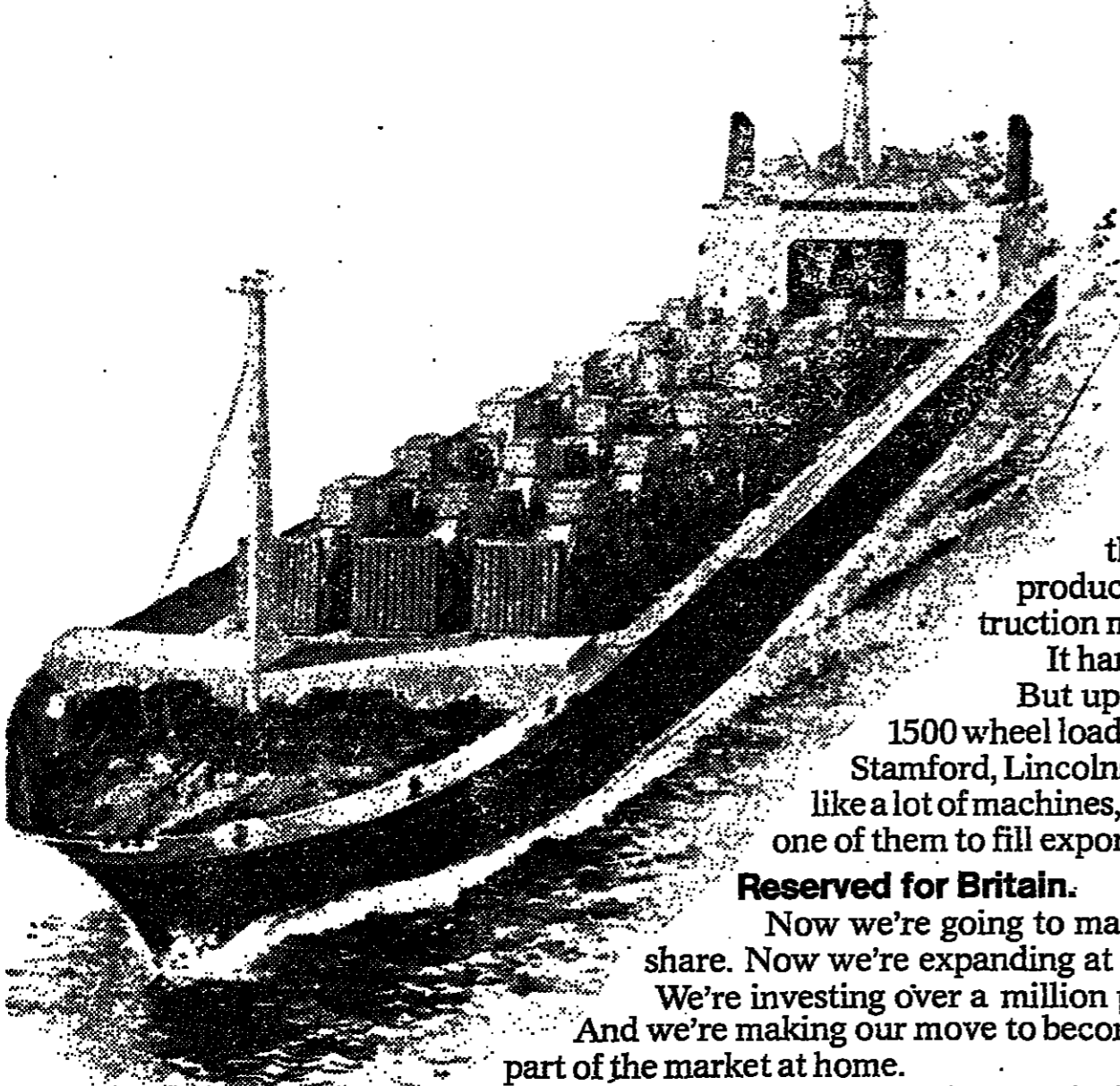
Stern expected to receive £1m. demand

By Keith Lewis

CITY merchant banker Keyser Ullmann is expected to make a formal demand this week for repayment of a debt of more than £1m. from Mr. William Stern, head of the collapsed Stern property group. Involvement with the Stern group has cost Keyser considerably more than £1m. The demand for £1m. has been chosen specifically because it is an identifiable personal debt and one which is not connected to the other property-related debts. As such, "Keyser's action is not expected to upset the arrangements by which Mr. Kenneth Cork, the liquidator of the Stern group, will dispose of the huge property portfolio. Mr. Derek Wilde, chairman of Keyser Ullmann, said yesterday: "It is impossible to say just how much Keyser Ullmann may recover. But we will have done all we can and at least the situation will be plain for all to see."

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January 10 1977

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Why should you buy antimony and zircon from a company you've never heard of?

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The Executive's and Office World

EDITED BY JOHN ELLIOTT

MANAGEMENT CONSULTANTS

BY NICHOLAS LESLIE

EXECUTIVE HEALTH

BY DR. DAVID CARRICK

Another difficult time expected

ALTHOUGH THE past year has undoubtedly been a hazardous one for most management consultants, and particularly for those who have little or no business overseas, it is difficult to find any who are not being guardedly optimistic about the future. This is based on a general, though not universal, view that the recession in U.K. demand has bottomed out.

During 1976 there was a mixed bag of assignments for management consultants and, no particularly strong trends for any particular type of work came into evidence. There was, however, a continuation of the financial "fire-fighting" which was prevalent in 1975, which involved dealing with problems such as companies' financial reporting and control systems to improve cash flows. There was also quite a lot of activity in personnel relations and job evaluation and there was a lot of work linked with overseas construction, particularly in the Middle East. In addition companies needed assistance in looking beyond the current social contract pay policy to assess what types of reward they might be allowed to give to both management and staff.

Overall, the pattern during the year has probably followed consultants' expectations of 12 months ago when they were predicting a difficult period for work in the U.K., but one which they expected to weather reasonably well. They were also looking forward to an easier time overseas.

Statistics drawn up by the Management Consultants Association—based on the performance of its 24 member-firms but excluding P.A. Management Consultants, probably still the largest U.K. consultancy, showed that in 1975 total fee income rose by 3.6 per cent. to £18.8m. Included in this figure was overseas work which went up by 22 per cent. in value to £9.16m.

The MCA as yet has no indication of its members' 1976 results because it is only just beginning to compile the figures. However, it would not be surprising to see a further expansion in monetary terms, both at home and overseas, although the total volume of work carried out in the U.K. could be down.

A dissenting voice among the generally more optimistic consultants is that of Mr. Tony Howitt, chairman of the MCA and head of the Peat Marwick Mitchell management consultancy. Despite indicating in July in his 1975-76 annual review that he felt that an upturn was about to take place, he now considers that the outlook for the U.K. is "generally pretty horrible". Mr. Howitt believes that those

companies which have taken the initiative to develop overseas business have probably fared pretty well in 1976 and, where they have a track record of three to four years' experience abroad, they may well have picked up sufficient work to compensate for the downturn in U.K. assignments.

He also feels that those consultancies with strong financial expertise, which would include particularly the consulting offshoots of accounting firms, have probably fared as well as any. He applies this view not only to

the length of projects which they can show they are in the middle of or have just completed a Government contract. This trend has accelerated in recent years and put pressure on consultants to specialise even if State work is not the most profitable it certainly carries prestige value.

A fairly strong trend in computer installation and operation work is discernible from comments of Arthur Andersen, P.A. Management, and P.E. Consulting Group. The P.E. group has also found development of data processing and management information systems a continually expanding area, while tradi-

itional assignments such as work study and organisation and methods have lost ground. On the other hand consultants such as Hay-MSL and Binder Hamlyn Fry report increased work in employee and management motivation because many companies, unable to pay worthwhile cash increases have been looking for other ways to keep their employees happy.

This can involve re-shaping organisations to define management structures more clearly so that managers who have felt that their powers and positions were being undermined can become more aware of their contribution. On a more simple plain consultants also help employers to tell managers precisely what they are already receiving in terms of salary and benefits compared with other employees.

A lucrative line of business has also been generated by the large amount of complex legislation introduced in recent years. Many consultants specialise in interpreting new laws relating to such things as equal pay, health and safety and prices.

Generally consultants now find a far greater discernment among their customers about what they expect for their money. At one time companies had little idea precisely what problem they wanted sorted out and so used consultants both to identify and solve their difficulties. Now they frequently know what is causing them a problem and seek precise assistance in solving it. As a result,

study in engineering companies has decreased. Despite a poor year in the U.K., Mr. Hicks-Beach says overseas assignments were reasonably buoyant even though traditional customers such as Iran and United Nations agencies have been cutting back.

P.A. Management has probably undergone one of the most traumatic experiences among consultants in recent years, with a sizeable reduction in the number of consultants employed in 1975. Last year, there were further staff cutbacks, and management changes. It has also closed down some offices and vacated its expensive head office at Albert Gate, Knightsbridge, in London.

But this, says the company, has left it in "very good shape". It disputes the "small is more flexible" argument and reckons there are a lot of "multi-disciplinary" assignments around for which it is well suited with its computer consultancy, technical laboratory for product development, and management consultancy all housed under one roof. P.A. is, however, disappointed that 90 per cent. of customers for its laboratory are foreign. Like many other consultancies, P.A. will probably emerge from 1976 with a lower workload than in 1975, but a higher turnover.

Inquiries

The latest news to emerge from the MCA is that many of its members have been reporting a quite significant upturn in inquiries in the past six to eight weeks, for a whole range of work. The problem, however, can be to convert these inquiries into orders and although the rate of such conversions throughout the year appears to have been about average, there are some who believe that what advice they can get from consultants without actually signing them on. One thing is certain, and that is that there is no let-up in competition. Long gone are the days when a consultant could automatically count on follow-up work with a company. These days they may well find themselves competing with 20 others on a great many of their jobs.

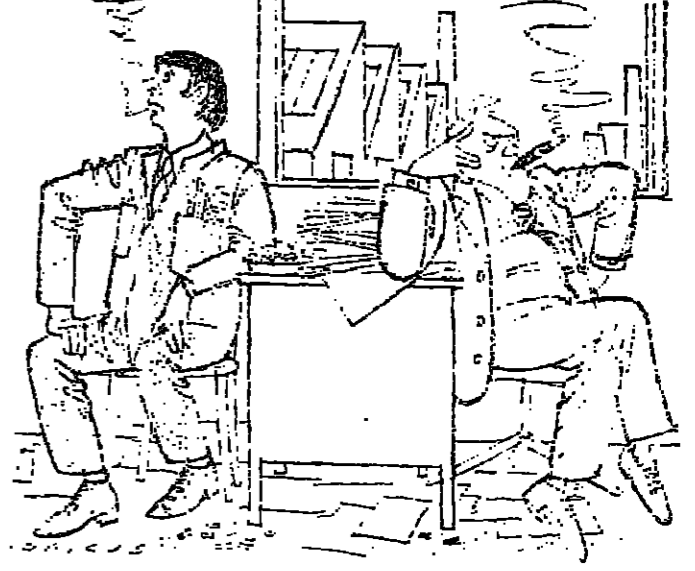
Work on data processing was "brisk" last year and this, together with management information systems, now accounts for twice as much work as it did three years ago. But more standard services such as shop floor work and method

UP UNTIL THE year 1752, New Year's Day was on March 25, a rather more sensible date to start the year because the frosts and snows of winter have usually melted and spring is in sight. The making of New Year resolutions must have been easier then because it is much simpler to attempt change when Nature begins to awaken the seeds and stir the blood than when long, cold nights give grudging space to short, drear and chilly days.

Nevertheless, the usual attempts will now be made this month by obese executives to deprive themselves of luxuries that will not hurt too much. Those who do not like potatoes will proclaim, with holier-than-thou self-righteousness, that they are giving them up. Others will abstain from unnecessary or personally distasteful pursuits as proudly as though their glistering pinchbeck was precious gold. But these over-weighty martyrs will not easily relinquish their alcohol and the large meals, particularly in the name of business. And why should they? After all, their lives are their own and only the jealous puritan or the medical obsessional can gain sour satisfaction when all enjoyment is forbidden or made to appear sinful.

I believe, however, that certain resolutions should be adopted for the benefit of all, if top management would truly try to understand the problems as put forward by the heads of the unions, and the latter attempt to see the honest problems of the leaders of industry, then real progress could be made.

Similarly, in the lower echelons, middle executives and departmental heads should always be ready to see and discuss domestic as well as working all, and take some burden off the wretched doctor.



... a breakdown in communications ...

thing and vice-versa; but availability. More felicity and criticism without understanding is as facile as it is grievous. Before each side takes an adamant stand on issues, real attempts should be made by men and women of wisdom to examine the causes because there are always two sides to most disputes.

Naturally these words do not apply to psychopathic individuals occupying middle positions (most top bosses of industry and unions are humans, not psychopaths) because the relentless drive for promotion recognises nothing beyond itself. Equally, the shop steward can seek power for himself at the expense of everybody. Nonetheless, the majority of real people should resolve to see that neither variety is permitted to reach heights from which he can cause misery and disruption.

Thus, these resolutions, costing nothing but courage, can reduce stress, improve the lot of all, and take some burden off the wretched doctor.

Bullock Committee members speak out

MEMBERS of the Bullock Committee on industrial democracy in the private sector have been booked to speak during at least three conferences shortly after the Committee's report is published later this month. The first conference has been organised by the British Institute of Management to take place in Birmingham's National Exhibition Centre on January 28, two days after the latest scheduled date for publication. Four members of the Committee will be speaking: Sir Jack Cillard, Mr. Norman Biggs, Professor Bill Wedderburn, and Professor George Bain. The third conference, organised by Associated Business Programmes, will take place in London on March 1.

Public sector

In the past couple of years the Government has been perhaps surprisingly generous with its commissions, but the latest indications point to a tougher time ahead. If this proves correct, it will come as something of a surprise to many consultants who still live in fairly high hopes of a good work supply from the public sector.

A Government cut-back would not in itself necessarily create problems for consultants, but it can cause spin-off difficulties. For example, consultants seeking or tendering for work overseas frequently stand a better chance of being successful if

Personnel directors may become chief executives

THE GROWING importance of personnel directors is emphasised in a survey published this morning which suggests that in the future they may be appointed to chief executive posts over the heads of the more usual candidates from marketing, finance, production, and research.

Activities of Governments and trade unions have led to personnel directors throughout Western Europe being at the centre of many corporate decisions says the survey, which adds: "Because of increasing political dimension, the personnel director has had to acquire greater political common sense. The political action which has put, or is putting, labour representatives in company Boardrooms, is forcing the personnel director to seek better partner relationships with the workforce."

General moves towards greater industrial democracy will also boost the status of the personnel director. He will, according to some of the 302 companies contributing to the survey, published by consultants Heidrick and Struggles, have to take on the responsibility of educating the com-

pany's workforce in basic business practice and the role of profits.

Over the past five years personnel directors have also witnessed a major change in their responsibilities away from routine personnel administration—wage and salary levels, differentials, conditions of employment—and towards a more innovative approach to the problem of managing scarce human resources.


German personnel directors are found by the survey to be the best paid in Western Europe with 55 per cent. earning more than \$50,000 (£29,400). France and Switzerland show the next highest remuneration levels, while British personnel directors are the lowest paid with only 30 per cent. earning more than \$30,000 (£17,600).

Belgium has the youngest personnel directors and Italy the oldest. The best educated are to be found in West Germany, France and Benelux, while the least well educated are in Switzerland, Spain and the U.K.

Profile of the European Personnel Director. Free from Heidrick and Struggles, 41 Dorer Street, London, W1.

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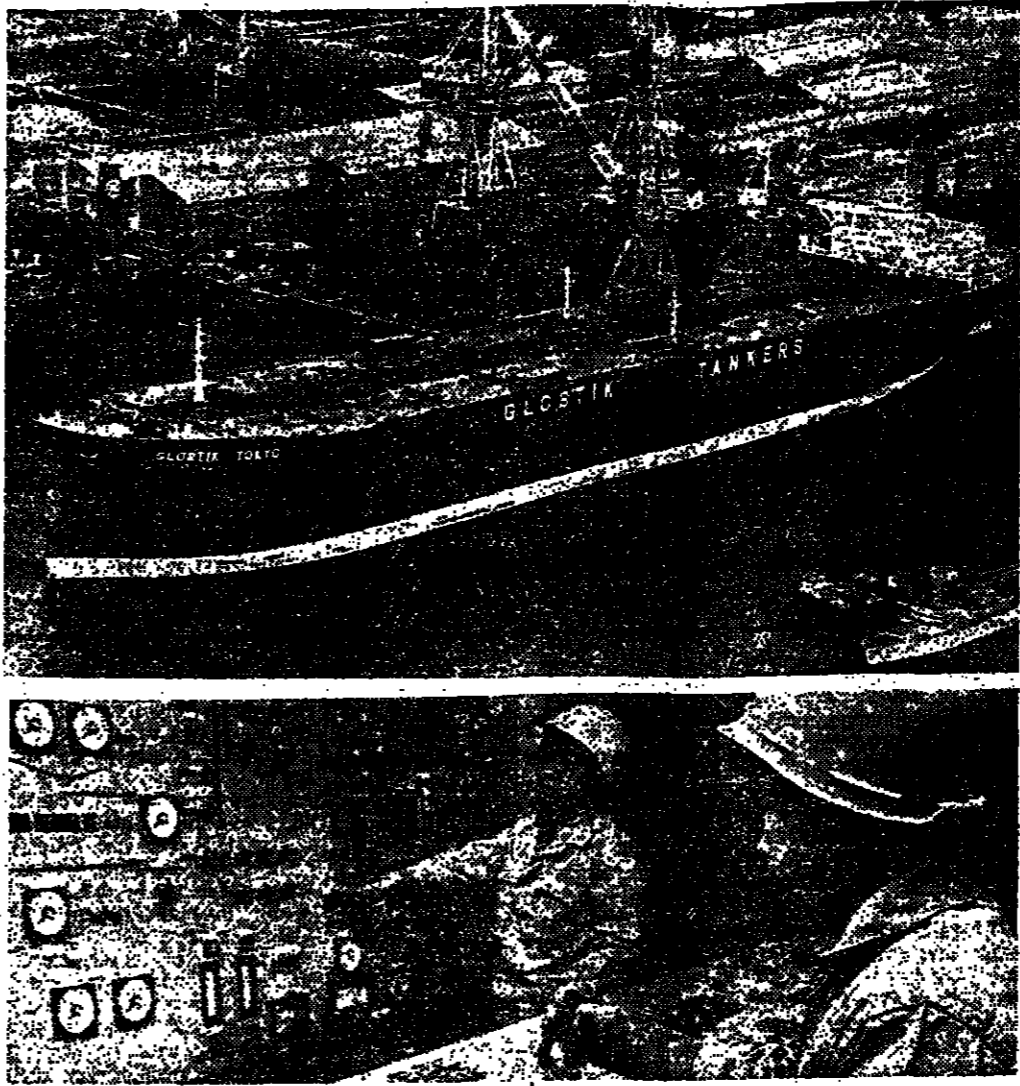
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Grows in the Euro-Japanese shipbuilding row

By JOHN WYLES, Shipping Correspondent

FOR MORE than a year, the EEC's posture during the growing shipbuilding row has had all the impact of a wet sponge and when the world shipbuilding market collapsed at the end of 1974 under the weight of a severe trade recession and an unprecedented surplus of oil tankers, Japan's powers to exploit what was already a monopoly position in some categories of vessels in 1973, became apparent.



Top: Japanese yards, like IHI at Kure, have depended until the recent slump in tankers on constructing VLCCs like the 484,000-dwt Globtik Tokyo. Bottom: Japanese engineers running tests in the control room of a supertanker.

seven major shipbuilders which in the past have accounted for 80 per cent of the country's large tanker output... expected to make profits during the fiscal year and next. On the row over current Japanese success in the world market, Mr. Yoshida argues that Japan's need for shipbuilding work is greater: its order book stands for only 12 years compared with the world average of 19 years and an EEC average of 1.9 years.

Significant share

Mr. Yoshida fails to recognize, however, that this modest increase is a significant share of a shrinking cake and that it represents orders for vessels which belong to the more traditional and technically sophisticated preservers of Japanese yards—roll-on roll-off container and general cargo ships.

Japanese delegates will again be stressing at the OECD to-morrow that only Japan and Sweden have yet produced a blueprint for contracting their shipbuilding industries. The EEC, somewhat lamely, responds that it does not need a blueprint since the main lines of contraction are being written in Tokyo. Should an agreement on orderly market behaviour be reached with Japan, however, the Commission says it will put its weight behind a general reduction of capacity based on closing less efficient yards.

The general pessimism referred to earlier about finding "an honourable way" with Japan over shipbuilding grows from a feeling widespread among British shipbuilders and Whitehall officials that Japan is set upon a course of world domination in shipbuilding because of its own peculiar national interests.

Sea transport is of prime importance to its economy which is heavily dependent on imports of low-value raw materials and exports of a wide range of high added-value manufactured products. According to this view, Japan's strategic concern is to keep freight rates as low as possible.

The case for dividends

THE COMPLEX arrangement which GEC has had to make in order to repay capital to its shareholders underlines the absurdity of dividend controls. It is time the Government took its courage in both hands and abolished them. They serve neither a political nor an economic purpose. It is difficult to believe that trade union leaders will be less inclined to go along with another period of wage restraint simply because companies are free to raise dividends.

There is no evidence that dividend controls, by enabling companies to retain more of their profits, have encouraged them to spend more on new plant and equipment. Capital investment is determined by profit opportunities. If a company, like GEC, generates more cash than can profitably be absorbed in its existing business, it is better for the cash to be handed to shareholders for them to re-invest in other businesses than for large cash balances to accumulate or for the money to be used on acquisitions and other ventures which yield an inadequate return.

The controls have been operated with a great deal of flexibility by the Treasury: the number of loopholes whereby a company can increase its dividend by more than the statutory minimum—to facilitate a merger or to resist an unwelcome take-over—is considerable. A recent example was the merger between Davy International and Head Wrightson, where the bidding company was allowed to increase its dividend by nearly three-fifths. The Treasury explained that its policy was to administer dividend controls in a way which did not conflict with the industrial strategy.

Reforming European farm policy

AS FAR as it goes, the tough stance being taken by Mr. John Silkin, the British Minister of Agriculture, to put a ceiling on any increase in the price of farm products in the U.K. over the next 12 months is not merely understandable, but positively laudable. The prospects for an extension of the pay policy in some form or other will depend to a large extent on the Government's success in bringing down the rate of inflation; and since a very large part of our food is imported, the success of the anti-inflation policy will in turn depend to a large extent on the Government's success in curbing the rise in food prices.

Mr. Silkin's greatest freedom of manoeuvre is over the question of the Green Pound, and here he has two fundamental options. The first is staunchly to refuse to make any significant change, partly on the grounds that the windfall benefit to Britain is merely the consequence of a common price system which cannot work properly in a world of floating exchanges, and whose defects should not be paid for by member states with weak economies. The other governments might not be much mollified by the idea that the effective level of subsidy would decline if sterling were to continue to rise.

At first sight it might seem that a policy of restricting farm price increases in this country to no more than 18-20 per cent this year is not a particularly tough policy. But in fact the U.K. is under considerable pressure, part of which is political and part of which stems from treaty obligations, to go much further. Under the Treaty of Accession we must by the end of this year align our nominal prices on the Community levels, and that means a rise of 27 per cent, at least in the price of wheat and 42 per cent in that of butter: such increases could only be attenuated with the agreement of the other member states. The annual Community farm price review has still to take place, and the Commission has not yet published its proposals; but that it will them in the form of income support subsidies. The defects of the CAP are by now not merely glaring but grotesque, and it is time Britain used its Green Pound leverage to secure a reform.

The proposal is not new to the Japanese. At best they will stonewall, arguing that this and other matters are under review following the change of government in Tokyo. At worst they will again refuse to co-operate, and the onus will then be on the EEC member countries to devise a means of preventing Japan emerge from the present crisis as the more or less permanent supplier of 70 to 80 per cent of the ships built in the world. It is generally agreed by most West European shipbuilders and many of their governments that this could be the prospect if present trends continue. In spite of the fact that the EEC has drawn up a list of possible defensive measures to be discussed by top officials from member countries on January 17, and that France is leading the way in warning of unilateral moves should the EEC fail to agree a policy, there is beneath the surface in Europe a curious lack of confidence that the Japanese can be confronted successfully on shipbuilding.

There are many reasons for this pessimism. First—and this is particularly true of opinion in the U.K.—there is very little faith in the EEC's ability to produce a credible policy quickly enough to prevent the onward march of the Japanese. The national associations belonging to the Association of Western European Shipbuilders (those from the EEC, Scandinavia, Portugal and Spain) have long been worried by the continued expansion and market power of Japanese yards whose output has mushroomed from 1.7m. gross tons in 1960 to 17m. grt in 1975 and its market share from 22 per cent to 50 per cent. Under pressure from the AWES, the EEC Commission set up a task force in 1973 to try to put European yards on a truly competitive basis in the face of "Japan's determination to win

three buyers are aged between 15 and 34. I suppose that this, like so much market research, confirms something we really knew already: only leaving those too old to join the trend, aggressive and that a future as dirty old men has lost the exclusive place in folklore it once held. But it is all big business, with such magazines turning over £20m. a year, a market as Mintel for some reason points out — the same size as that of the lavatory cleanser business.

MEN AND MATTERS

Honour and out

An eventful start to the year for Peter Noble, one of the wine trade's best-known personalities. He was awarded a CBE in the New Year's honours list and followed this by announcing his resignation as a director of London wine shippers Christopher and Co., because of policy disagreements with Christopher, where Noble has worked for 25 years and was appointed a director in 1957. Was taken over four years ago by the Scottish and Newcastle brewing group. Noble and the new bosses have not always seen eye to eye but the differences came more and more into focus as the recession tightened its grip on the trade.

"We have been looking at the same problem from two very different points of view," says Noble. "I'm old-fashioned enough to believe that at the top end of the wine trade you must not reduce quality, whatever the economic climate."

Noble is at present chairman of the Wine Development Board, an organisation sponsored by all the major wine-producing countries and the U.K. shippers to promote wine-drinking in the U.K. and intends to continue in office. For three years he was chairman of the trade association—the Wine and Spirit Association—and was founder of the EEC Wine and Spirit Importers Group six years ago. It was his hard work in Brussels to make sure that the French and Germans in particular did not forget that the wine business is made up of traders as well as producers which led to his CBE award "for services to the wine trade."

Concerted response

The Japanese raised their hands in horror, stilled and finally let it be known in December that they could not budge from their plans to produce 6m. grt. or half of the estimated world total, up to 1980. With an extra half-million tons to meet Japan's coastal shipping requirements, the country's output would be a mere 38 per cent of the 1974 figure and consequently Japan's shipbuilders have been directed to reduce their manhours by 85 per cent of 1974 totals by 1980. The implication for the AWES

accommodation with Japan this week leads to a change of view. West Germany's attitude could mean that any measures finally adopted by the EEC will fall far short of action being demanded by shipbuilders. Most would like to see a package of improved credits to shipowners and shipyards and some limitations on the freedom of European shipowners to go shopping in Japanese yards. In the longer term, and this is a favourite proposal of the French Government, many would like to see a larger proportion of the Community's list of countries in EEC ships. This would increase the demand in Europe for new ships since the EEC accounts for some 40 per cent of world seaborne trade but only 22 per cent of the world fleet.

During the next few weeks, Tokyo will almost certainly be trying to decide which would least damage Japan's position—an EEC defence for European shipbuilding or unilateral action by individual countries. Although EEC regulations are strict on the amounts of credit that can be made available to shipowners, there is some leeway on subsidies and Holland recently announced a scheme to boost its ailing industry.

France has also declared that it is to offer greater incentives to its shipowners while West Germany already has a subsidy scheme. But this has not been sufficient to dissuade a large proportion of West German owners from building in Japan. In the absence of an EEC policy, even tougher measures may be taken unilaterally and Europe could rapidly slide into a beggar-my-neighbour battle between EEC member countries which could virtually wipe out some shipbuilding industries and at the same time damage the activities and recovery hopes of shipowners.

However, at EEC or national level speed is of the essence. Every month that passes solidifies Japan's grip on a 50 per cent share of world production for 1978 and beyond. In spite of evidence that they are consistently reducing prices for several classes of ship, the Japanese maintain that they are not deliberately undercutting, but merely taking advantage of their competitive edge and of the fact that prices quoted 18 months or two years ago, reflected the prevailing demand for ships and enabled good profits to be taken.

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This point was underlined by an article which appeared last week in Japan's shipping and shipbuilding daily, Kaiji. The author, Mr. Shigeru Yoshida, of the Japan Maritime Research Institute, claims that Japan's

Trading the TV Olympics

Everyone knows that the real tests of strength in the Olympics come not in the Games themselves but in the politicking that goes on beforehand. Moscow is the venue for 1980 and already the Russians and Americans are locked in battle over the television rights. Sales of TV coverages are the biggest single source of revenue during any Games and the Russians are asking for \$50m. "front money" from whoever gets the American rights, all of which would have to be paid by next year (1978).

The problem for the Americans is that the three network contenders, CBS, ABC and NBC, have to negotiate separately if they are to steer clear of American anti-trust legislation. To muddy the waters still further Moscow is negotiating with a third party, an east-west trading group, which is claiming success. First, ABC and NBC, and now CBS, have given up any hope of reaching a settlement with the Russians and all three are scurrying off to Washington to get dispensation in order to negotiate as one. Once the Americans have

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Mr. I... POLITICS TO-DAY... Soap for rise in productivity...

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POLITICS TO-DAY

Mr. Healey and the Government's future

BY DAVID WATT

ONE OF the reasons that people cling to an altogether undone on the whole, like the realistic complacency. Never-Press is that it so obviously thrives on trouble. The Chinese conclude that on-balance I do curse—May you, live in interesting times—is no curse at all to the journalist—and I must admit, looking back over the last year, that while I have frequently been depressed and deeply worried, I have never been less than absorbed and passionately excited by the calamities and arguments of the time. Add from this excitement arises a sneaking temptation—which I detect throughout Fleet Street as well as in myself—to hope, and indeed predict, that 1977 will be equally "interesting".



Mr. Healey

It remains to be seen whether the public at large has joined the attack on collectivism and state intervention, (as the Thatcherites would have us believe) or whether the army consists of no more than the Press and a few politicians with forceful lungs. But there is no doubt in my mind that whether or not the voters are positively converted by Mrs. Thatcher, they are more negative towards the Labour Government than they were nine years ago simply because it is the second time in their relatively short political memories that Labour has squeezed them.

Finally—and perhaps most potentially of all—there is the external factor. Mr. Jenkins was making his bid for recovery against a world economic background very different from Mr. Healey's. The Vietnam War and the enormous American deficit was still fueling world expansion. The prospect for the next two years is far less encouraging. The oil price rise has been absorbed and the change of Administration in America ushers in a group of economic managers who are less frightened and less doctrinaire than their immediate predecessors. But the most powerful economic nations are still controlled by politicians who are deeply cautious and highly nationalistic. I do not think that men like Mr. Cyrus Vance and Mr. Mike Blumenthal are about to adopt restrictive policies of their own volition, but the prevailing political climate in America, in Germany and in Japan is bound to limit their freedom to work in the opposite sense.

One can envisage a hard bargain about what "quo" the Government will offer to the unions for their "quid"—what degree of worker participation, for instance—and it may be that a bargain cannot be struck which will comprehend every union. But there is nothing in the entrails at present to suggest that union leaders would countenance a concerted attack on Government economic and social policies—or that they have learnt to accept the idea of the return of the Conservatives with enough equanimity to take man risks.

To sum up, then, the Government could fall in the coming weeks as a result of another sterling crisis, or sheer failure and loss of will in the House of Commons (though it seems unlikely that the Liberals will wish to assist this process— their present condition). On the whole, though, it will probably be able to struggle through the Devolution Bill—even if it loses another by-election. If the Government can keep its head above water till the summer holiday times start to look better—though a wage explosion in the autumn could cause a fresh political economic crisis. The outlook for 1978 depends a great deal on the world economy. Since this looks fairly bleak at present, Labour's opportunities for relaxing the squeeze will be limited; but still, there is little more room for manoeuvre for Mr. Crosland or Mr. Pete Shore—the only two real choices for the Chancellorship when Mr. Healey goes (perhaps this autumn). Meanwhile the Government had better be content to struggle through the next three months.

Scope for rise in productivity

From Sir Derek Ezra, Chairman, British Institute of Management. Sir—I strongly endorse the view expressed in your leading article of January 5 that continuity and greater efficiency in production should be the priorities for unions and management in 1977. We need a determined effort to raise productivity in order to secure the higher return on assets that will attract much-needed new investment into British industry. I also support the view that while the main responsibility for this task rests with managers, it requires the active co-operation of the trade unions, and the encouragement of Government policies.

Letters to the Editor

about it after the event. The State might intervene in a particular case by making up to the holder of an undexed financial asset the amount of loss he sustained, but could it collect from the entity with the undexed liability—or would the community have to share the responsibility? And where would the process stop, short of a universal indexation of financial transactions involving both capital and income? W. J. Courouf, Westhumble, Surrey.

Current cost accounting

From Mr. P. Reynolds. Sir—The proposals for current cost accounting must be seen as a temporary expedient, not a permanent change in the convention for financial reporting. In times of high inflation CCA will undoubtedly produce more useful accounts than the historic method, but this is only to suppress the symptoms of the disease, not cure it. We certainly must not assume that the country can settle down to live permanently with a monetary unit whose general purchasing power deteriorates by more than 5 per cent. in every year.

Landlord relief

From Mr. G. Gregory. Sir—The chairman of Industrial Milk Supplies, Mr. W. S. Roe (January 5) surely errs when he gives his view that there is no difference in the ownership of property and the ownership of motor cars, washing machines and colour TV sets, and that tax could equally be justified on the latter as well as the former. Income tax should be levied in accordance with one's ability to pay out of income. £3,000, plus house in the case of an owner/occupier (without mortgage interest) represents more available income with which to pay income tax than £3,000 less rent say £1,000 in the case of a renter. The relief from tax of the person paying mortgage interest is distinct from those paying rent. It is indefensible. Both should be charged or both relieved. The relief from tax of the person paying mortgage interest as distinct from those paying rent is indefensible. Both should be charged or both relieved. The relief from tax of the person paying mortgage interest as distinct from those paying rent is indefensible. Both should be charged or both relieved.

Education for librarianship

From The Secretary, The Library Association. Sir—May I comment on the letter from Mr. R. Moss (December 20) in relation to entry to the profession of librarianship? Mr. Moss is right to suggest that the profession would be tired, but he is somewhat wide of the mark on two counts. Librarianship indeed exists outside of the public sector, since the nineteenth century, industrial concerns with an important research effort have included technical library and information services as part of that effort. The many schools of library and information science, both here and in other countries, have had under constant review the difficult question of the relationship between what are these "professional education" and "vocational" academic study. All who are concerned with education for professional careers will be familiar with this relationship and the problems it poses for those offering courses in vocational education. The Library Association has for many years sought means to reconcile these two apparently conflicting viewpoints, in close consultation with practising librarians and information science on the one hand and the schools of library and information science on the other. Mr. Moss as he says may have had to suffer earlier forms of professional education, but we are constantly seeking to improve these, and many of our colleagues are now making members of academic staff of universities. This is a term subject to common interpretation, but I feel sure that the publishers of these works would be ready to discuss Mr. Moss that they do not say more than the Library Association wish to perpetuate any middle ground in vocational education. I would not, however, agree that it should be made a condition for entry to the profession to come to me that the student should have a certain amount of professional education, and we are constantly seeking to improve these, and many of our colleagues are now making members of academic staff of universities. This is a term subject to common interpretation, but I feel sure that the publishers of these works would be ready to discuss Mr. Moss that they do not say more than the Library Association wish to perpetuate any middle ground in vocational education. I would not, however, agree that it should be made a condition for entry to the profession to come to me that the student should have a certain amount of professional education, and we are constantly seeking to improve these, and many of our colleagues are now making members of academic staff of universities.

Not a political secret

From the Public Relations Adviser, British Gas Corporation. Sir—There is one point in your energy correspondent's comprehensive and interesting review of offshore developments in the Celtic Sea (December 17) which requires correction. From time to time, some companies regard the logs of certain wells as "light". This is purely a matter of commercial judgement and policy does not come into it. It is therefore incorrect to imply that information on well 105/28, drilled by Hydrocarbons Great Britain (a British Gas subsidiary), jointly with Deminor, may be being kept secret for political reasons. A. J. Vinegrad, 59, Braganza Street, Marble Arch, W.1.

Policies for construction

From the Director-General, The Brick Development Association. Sir—To-day is surely the time for the Government to give a lead in actively conserving and encouraging the use of building methods and products which are based on indigenous materials and local labour—exemplified by British bricks manufactured from clay or sand and lime. These measures are in addition to those advocated by the president of the National Federation of Building Trades Employers in his eminently reasoned forecast for construction in 1977 (Decem-

True and fair information

From Mr. J. Stride. Sir—The purpose of the 1948 and 1967 Companies Acts was to provide the shareholder with information in order to protect his investment. One of the principal requirements was that accounts should show a "true and fair" view of the state of a company's affairs at a given date (selected by the company). It is patently obvious that the current cost accounting proposals outlined in exposure draft 18 are a retrograde step—the scope for "secret reserving" is widened considerably. How accounts can be displayed in CCA form and still comply with the Companies Acts is a great mystery. Indeed, the shareholder will be left with less tenable information than is currently provided—and that is this enough. Should we not be seeking to enforce companies to provide turnover figures and other relevant financial and economic data on a quarterly basis to shareholders, rather than provide accounts on such a barbaric basis? Amberg, Tattenham Crescent, Epsom Downs, Surrey.

Index-linked credits

From Mr. W. Courouf. Sir—It might advance the discussion of accounting for inflation, particularly about the treatment of monetary items, were we to consider the way in which index-linked financial credits or debits should be dealt with. Suppose a balance sheet to be opened on January 1 with a real asset—property of some sort—and an index-linked financial liability. Both items are written in monetary units, although one "represents" a real asset and the other is a financial liability which it is expected will vary in amount. At December 31 a replacement cost balance sheet would show a different asset value as if the property had been sold and immediately replaced (re-purchased), but what of the from an extra say 2m. barrels a day (say, \$5.5bn. per annum) or 3m. barrels (say, \$13.2bn. per annum). Coincidentally, it seems that the U.K. must be a net oil importer until North Sea production reaches about 100m. tons per annum—impossible until 1980-81. These factors should make possible an immediate oil-for-oil barter, over 1977-80, as follows: During 1977-80, the Saudis to give the U.K. free title to the 100m. tons annually available asset corresponding to the other part of increased production. This is what inflation means, and little can be done

Oil-for-oil barter

From Mr. A. Llewellyn. Sir—Lombard (December 29) calls oil-for-oil barter "chummy". May I suggest one which would be simple and could transform our economy within 12 months? Prior to the recent Saudi decision to increase production so as to frustrate the price rise proposed by the majority of the Organisation of Petroleum Exporting Countries members, they had voiced their reluctance to accumulate ever more foreign exchange. It follows that they have an urgency to secure payments of the extra say 2m. barrels a day (say, \$5.5bn. per annum) or 3m. barrels (say, \$13.2bn. per annum). Coincidentally, it seems that the U.K. must be a net oil importer until North Sea production reaches about 100m. tons per annum—impossible until 1980-81. These factors should make possible an immediate oil-for-oil barter, over 1977-80, as follows: During 1977-80, the Saudis to give the U.K. free title to the 100m. tons annually available asset corresponding to the other part of increased production. This is what inflation means, and little can be done

Benefits in kind

From Mr. W. Soester. Sir—I on a simple person trying to comprehend the statement that owner occupiers do not have to pay tax, which does not appear to me to be a correct statement of fact. My house has a potential selling value of £18,000 free of mort-

Benefits in kind

From Mr. W. Soester. Sir—I on a simple person trying to comprehend the statement that owner occupiers do not have to pay tax, which does not appear to me to be a correct statement of fact. My house has a potential selling value of £18,000 free of mort-

To-day's Events

- GENERAL European Central Bankers continue meeting in Basle. House of Commons returns after Christmas recess. European Parliament resumes. Luxembourg. Wholesale price index (December, provisional) published. Finance Ministers of Organisation of Oil Exporting Countries (OPEC) scheduled to discuss its future to aid developing states. British Airways and U.S. all-cargo Seaboard World Airlines introduce cheap cargo rates on North Atlantic route. CBI Employment Policy Committee meets. Labour Party agents decide whether to continue opposition to Mr. Andy Bevan's appointment as party's national youth officer, or to grant him union card. Resumed extradition proceedings against Mr. Jim Slater and Mr. Richard Telling, Horseferry Road Court, S.W.1. Mr. Ray Buckton, general secretary, Associated Society of Locomotive Engineers and Firemen (ASLEF), is guest speaker at Coal Industry Society lunch, Hyde Park Hotel, S.W.1. Sir William Ryland, Post Office chairman, and Mrs. Anne Armstrong, U.S. Ambassador, open exhibition of American-manufacture data communications equipment, U.S. Trade Center, Langmar Place, W.1. PARLIAMENTARY BUSINESS House of Commons: Debate on developments in EEC. Motions on EEC documents on banking on Broad Prices Order. OFFICIAL STATISTICS Turnover of catering trade (November). COMPANY RESULTS AVE Industries (half-year Broad Prices Order). Secon RED Group (half-year). Secon Great Northern Investment Tru (full year). SGB Group (full year). Wellman Engineering (half year). COMPANY MEETINGS See Week's Financial Diary on page 10.

WORLD PULP AND PAPER INDUSTRIES CONFERENCE 18 & 19 JANUARY 1977 - HELSINKI A conference organised by the Financial Times, Helsingin Sanomat, Svenska Dagbladet, Norwegian Journal of Commerce and Shipping and Berlingske Tidende. Chairmen: Mr D T Wilkins, Rec Group Paper Division; Mr Jaakko Rauramo, Senoma Publishing Company. Speakers will include: PROSPECTS FOR THE PAPER INDUSTRY WORLDWIDE; Mr Risto Eklund, Jaakko Poyry and Co. Oy; ANALYSIS OF PRICE INCREASES; Mr M A Pelham, Consolidated-Bathurst (Overseas) Limited; GUEST LUNCH SPEAKERS: Mr C G Aminoff, Minister of Foreign Trade, Finland; THE ROLE OF DEVELOPING COUNTRIES AS PRODUCERS AND CONSUMERS OF PAPER; Mr Luiz Vieira de Carvalho Mesquita, O Estado de Sao Paulo, Brazil; IMPORTANCE OF SYNTHETIC PULP; Dr E J Smith, Crown Zellwachs International. The fee of £200/US\$330 covers all refreshments, cocktails, lunches, a cocktail party and conference documentation. To be completed and returned to: The Financial Times Ltd, Conference Organisation, 588 Strand, London WC2R 0LT. Telephone: 01-858 5444. Telex: 27347. Please to pay for the WORLD PULP AND PAPER INDUSTRIES CONFERENCE. Name, Title, Company, Address. I enclose a cheque for £200/US\$330 made payable to the Financial Times Ltd. Please send me further details. Signed, Date.

COMPANY NEWS

Thos. Ward finishes 17.5% ahead

AFTER BEING behind from £4.15m. to £2.38m. at mid-way...

Elson & Robbins confident

SET TO take advantage of expanding export opportunities...

On the year under review the directors report that a poor market...

Ward's 17.5 per cent. pre-tax profits gain probably takes it to the top...

Chairman's statement. Page 15

HAMBRO PROVIDENT At a general meeting of the Life Offices Association...

NEW LIFE BUSINESS COLONIAL MUTUAL LIFE ASSURANCE...

FFI TERM DEPOSITS Deposits of £1,000-£25,000 accepted for fixed terms of 3-10 years...



Sir Edgar Beck, chairman of SGB Group, who is due to-day to announce the results for the year ended September, 1976.

Ouvah Highfields drop: accounts qualified

For 1975, pre-tax profit of Ouvah Highfields fell from £183,417 to £111,722...

Mr. E. W. Miller, chairman, explains that it has not been possible to obtain the necessary information from Sri Lanka...

THE GULF HANDBOOK 1976-77 The new annual guide to the eight Gulf States...

BIDS AND DEALS

Foseco Minsep buys into U.S. company

For a consideration of \$US1.5m. once shares of London City and Westcliff Properties have been received...

HESTAIR REPLY COMING SOON

A reply is expected shortly from Hestair to the bid defence document sent out last Thursday...

ARMSTRONG EQUIPMENT

Armstrong Equipment announces that terms have been agreed by its wholly owned subsidiary Armstrong Autoparts...

BAXTER FELL -HOOGOVENS

The offer by Hoogovens (U.K.), a wholly owned subsidiary of Hoogovens, to acquire the capital of Baxter Fell...

Y. J. LOVELL -RMC PLANT

Y. J. Lovell (Holdings), the builders, developers and timber importers, has purchased the plant hire business and certain assets of RMC Plant...

SHARE STAKES

Merchandise and Investment Trust—wholly owned subsidiary of Hambros—bought on December 31 70,000 Hellenic and General Trust Ordinary shares...

NO PROBE

The Secretary of State for Prices and Consumer Protection, has decided, not to refer the proposed merger between Diamond Shamrock Corporation and the Zerollit business of Portals Water Treatment to the Monopolies Commission.

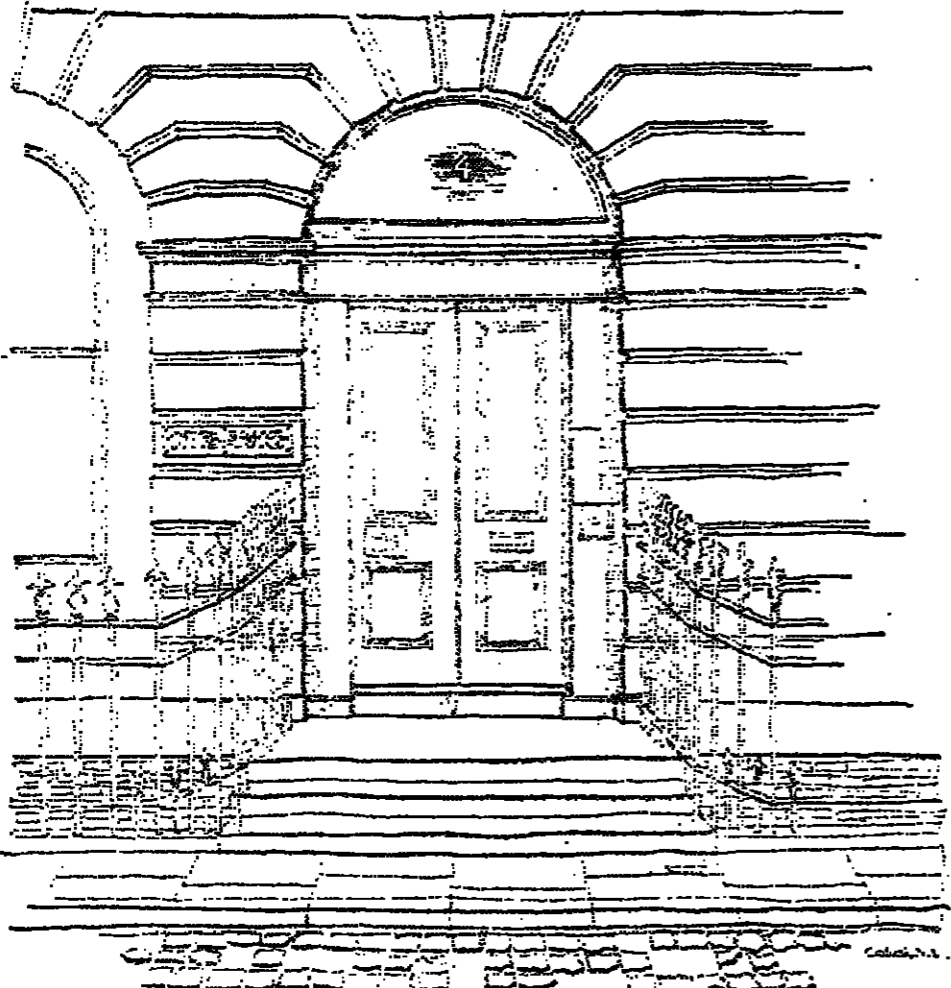
CONRHQ—LCW

Louise announces that acceptance of its offer for the Preference shares of the U.K. over-ready turkey market.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week...

Tealtronic Ltd. Pending dividend timetable. Various financial notices and advertisements on the right margin.



It's not often that new neighbours turn out to be old friends.

The new occupants of 4 St Colme Street in Edinburgh are no strangers to Scotland's business scene. Citibank have been part of the British financial community for three-quarters of a century...

4 St Colme Street, Edinburgh EH3 6AA. Telephone (031) 226 6091. CITIBANK logo.

OLC U.S. \$20,000,000 Orient Leasing (Caribbean) N.V. 8 1/2 per cent. Guaranteed Notes due 1983. Orient Leasing Co., Ltd. and The Sanwa Bank, Limited. List of international banks.

Various financial notices, advertisements, and legal notices on the right margin.

INTERNATIONAL AND COMPANY NEWS

Tealtronic factory occupied

BY MICHAEL VAN OS
FRIDAY a group of 25 trade unionists occupied the Tealtronic factory...

Monenco interested in deal with Kaiser

BY ROBERT GIBBENS
MONENCO, Canada's largest consulting engineering group, is interested in buying the American international consultants Kaiser Engineers Inc...

MINING NOTEBOOK

A mellow post-prandial peep into 1977

BY LODESTAR
IT WAS Twelfth Night. The dinner had been good. At the port and brandy stage the conversation inevitably deteriorated into a discussion of mines and mining...

Pending dividends timetable

For the convenience of readers the dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table...

Table with columns: Company Name, Dividend Date, Dividend Amount, Dividend Yield. Includes companies like Anglo-Siam, Anglo-Siam, Anglo-Siam.

Foreign holdings in Austria

VIENNA, Jan. 9. ACCORDING TO AN INVESTIGATION carried out by the Austrian National Bank...

Bausch & Lomb says disputes settled

BAUSCH AND LOMB said it has settled all its disputes with National Patent Development Corp. AP-DJ reports from Rochester.

Carrefour sales growth

PARIS, Jan. 9. CARREFOUR, FRANCE'S leading supermarket group, has announced a 26.5 per cent increase in consolidated sales in 1976.

GE reorganizes

GENERAL ELECTRIC CO. said it will reorganize during 1977 by its present nine groups to six operating sectors, with newly-

Profits growth for Credit Lyonnais

PARIS, Jan. 9. PROFITS of the state controlled Credit Lyonnais bank rose to a provisional Frs.250m. (163m.) in 1976 after provisions and depreciation, a bank spokesman said.

Uranium

THE BROKER who did the column on uranium in the 1976 year-end report of the Randfontein group, which has also debbed in price...

Public Works Loan Board rates

Table showing Public Works Loan Board rates for various terms: 1 year, 2 years, 3 years, 4 years, 5 years.

RECENT ISSUES

EQUITIES

Table of recent equity issues with columns for company name, issue size, and price.

FIXED INTEREST STOCKS

Table of fixed interest stocks with columns for company name, issue size, and price.

"RIGHTS" OFFERS

Table of rights offers with columns for company name, issue size, and price.

Money and Exchanges

Bank of England Minimum Lending Rate 14 per cent. The overall shortage of day-to-day credit, which has often been very severe, continued last week.

INSURANCE

Getting the priorities right

BY OUR INSURANCE CORRESPONDENT
OVER CHRISTMAS and the New Year a few people can have missed just one of the three television 45-second commercials which are part of the campaign...

FOREIGN EXCHANGES

Table of foreign exchange rates for various currencies.

OTHER MARKETS

Table of other market prices including gold and silver.

EURO-CURRENCY INTEREST RATES

Table of Euro-currency interest rates for various banks and terms.

INSURANCE BASE RATES

Table of insurance base rates for property, motor, and other insurance.

Kelsey Industries Ltd.

Statistics from the Report of the Chairman, Mr. J. G. Moss, and the Accounts for the 12 months to 30 September 1976.

EXCHANGE CROSS-RATES

Table of exchange cross-rates for various currencies.

FORWARD RATES

Table of forward rates for various currencies.

SPECIAL DRAWING RIGHTS RATES

Table of special drawing rights rates for various currencies.

Advertisement for Elson & Robbins, featuring PVC foam, spring units, and products for domestic appliance industry. Includes contact information and a list of products.

John Barrett

POINTMENTS
Hall-Thermotank Board

Mr. P. W. Ball, Mr. G. W. Bayliss, Mr. A. J. L. Groompton, Professor G. Haselden, Mr. K. W. Mr. A. MacDonnell and Mr. Symington have joined the Board of Hall-Thermotank...

Vital Meriden talks to-day for State cash

Meriden Motorcycle Co-operative operative last night criticised the agreement setting it up. He said it was "commercially nonsensical" to allow Meriden to decide how many machines to deliver to NVT...

Continental Telephone International Finance Corporation

9% Guaranteed Debentures Due 1982
NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of February 1, 1970...

Table with multiple columns containing numerical data for Continental Telephone International Finance Corporation debentures.

Authority

The agreement contained some pretty naive restrictive clauses. For instance, it needed the authority of the industry Secretary to introduce overtime...

Jobs loss

NVT would have handed its £500,000 to the Government to reduce its stake in NVT. The co-operative argues that the alternative to providing a net £300,000 is the failure of the two-year agreement to market the machines expires in July...

Table with multiple columns containing numerical data for Continental Telephone International Finance Corporation debentures (continued).

UNICORN INDUSTRIES LIMITED

Notice is hereby given of the appointment of Lloyds Bank Limited as Registrar. All documents for registration and correspondence should in future be sent to...

TENNIS BY JOHN BARRETT

Juniors show lack of attacking flair

THE TWO snails of the Green Shield Junior Covered Court Championships at Queen's Club on Saturday underlined the gap that exists between young promise and adult fulfilment. Not that there was any similarity between the styles of the two winners...

The Debentures specified above are to be redeemed for the said sinking fund at the Corporate Bond Services Department of the Trustee, 111 Wall Street, in the Borough of Manhattan, The City of New York, State of New York, the main offices of First National City Bank in Amsterdam, London, Paris, Frankfurt/Main or Milan or First National City Bank (Belgium) S.A. or at the office of Kredietbank S.A. Luxembourg/Bourgeois in Luxembourg...

CREDIT COMMERCIAL DE FRANCE

U.S. \$30,000,000 Floating Rate Notes Due 1983
For the six months January 10th, 1977 to July 11th, 1977 the Notes will carry an interest rate of 7% per annum.

Mr. Robert N. Cohen has retired as managing director of A. COHEN AND CO., A. Cohen and Co. (Great Britain) Ltd remains chairman. Mr. C. Andersson and Mr. Matti Andersson have been appointed joint managing directors and Mr. Roger O. Cohen a director of both companies.

Mr. J. B. Hooper will relinquish his executive responsibilities as managing director of TERRY'S MINERALS following his retirement, January 31. He will remain a director and will be retained as consultant. Mr. Geoffrey Lloyd has been appointed general manager.

Mr. Cameron Morpeth has joined BILINGWORTH AND HENRIQUES, stockbrokers, as resident associate member in London.

Mr. R. J. Corker has joined the Board of MARKINDA DEVELOPMENTS.

Col. J. J. L. Thorpe has been appointed managing director of CAMEL FREIGHT.

Mr. Lloyd Bankson, Mr. William Dykes and Mr. Jerome Goodwin have been elected to the Board as executive directors of CITICORP INTERNATIONAL BANK, the London-based merchant banking subsidiary of Citicorp.

THE LAND SECURITIES INVESTMENT TRUST has made the following appointments as executive directors of its principal subsidiaries: Ravenscroft Properties - Mr. R. C. Pavitt and Mr. W. T. J. Luess, City of London Real Property - Mr. C. R. F. Gillespie, Mr. D. J. Treagus and Mr. D. F. Hubbard.

Mr. H. Morris and Mr. G. Yates have been appointed to the Board of BICC-BURNIDY.

Mr. David D'Eath has been appointed director and chief executive of the BRINTON GROUP following Mr. C. Garrett's resignation and acceptance of another position within the exhibition industry. Mr. John Dew-Smith will join Mr. D'Eath in a consultative capacity as commercial director.

Wright-Scriven has changed its name to FERGUSON INDUSTRIES following the acquisition of the company by Ferguson Industrial Holdings. Mr. Edward Dickson and Mr. Joe Kennedy have resigned from the Board as non-executive directors, and the following have been appointed directors: Mr. Len Barker, Mr. Arnold Crawford, Mr. Geoff. Proctor and Mr. Peter Emswiler. Mr. Frank Wilson remains managing director.

Unit trusts bid to charge more

By Keith Lewis
BRITAIN'S 90-odd authorised unit trusts are hoping that the Department of Trade will agree this year to an increase in the annual management charges. These have not changed significantly since the 1960s.

NOTICE OF REDEMPTION To the Holders of RALSTON PURINA OVERSEAS FINANCE N.V.

7 1/2% Guaranteed Debentures due 1987
NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of February 15, 1972 providing for the above Debentures, \$350,000 principal amount of said Debentures bearing the following serial numbers have been selected for redemption on February 15, 1977, through operation of the Sinking Fund...

Table with multiple columns containing numerical data for RALSTON PURINA OVERSEAS FINANCE N.V. debentures.

Autopistas del Mare Nostrum, S.A. Concesionaria del Estado
U.S. \$50,000,000 Medium-Term Loan
Banco Central S.A.
Manufacturers Hanover Limited Banco Central S.A. London Branch

OVERSEAS MARKETS

EUROBONDS

Sense of caution in the market

ALTHOUGH new issue activity is running well below the flood levels so often predicted for January, there is still a reason-able flow of good-quality new offerings coming to the market. Sufficient, in fact, to induce a sense of caution in secondary market trading, with buyers tending to withdraw as prices struck new historic highs, in the money market sector. While bond prices continued to advance, there was at least some evidence to suggest that the upswing was losing momentum, especially at the end of the week when announcements of new issues were awaited.

EUROBOND TURNOVER

Table with columns: Issued, Nominal value, Week ended, and High/Low values for various Eurobond issues.

Struggling off the effects of the Quebec Provincial elections and the Canadian dollar sector spring back into life with the announcement of a two-tranche Can\$50m. issue for the Royal Bank of Canada and with reports that a second loan-for-Quebec Urban Community will be announced this week.

The Royal Bank of Canada—the country's largest bank and the fifth largest in North America—is to borrow Can\$50m. with an issue of 7-year paper on an indicated 8 1/2 per cent coupon and Can\$40m. through 15-month certificates on a 1 1/2 per cent coupon. Last March, the company is the holding company—

BY TONY HAWKINS

pression that now might, at the end of the day, prove to be an optimal time for borrowing.

Last month's Deutschmark sector calendar of DM1bn. was all but achieved with issues of some DM900m. For January the Eurobond calendar for DM issues is DM900m. as well. Bank Handelsbank Frankfurt is lead manager for the DM100m. issue for Sanko Steamship Co. Ltd., with a 7-year maturity, a coupon of 7 per cent and an issue price which is expected to be slightly below par.

There are two Austrian issues in the DM market at present, both of them private placements. Westdeutsche Landesbank is placing DM100m. of ten-year notes (average life eight years) for the Republic of Austria on a 7 per cent coupon and an expected price of 99 1/2.

The Austrian Oesterreichische Kontrollbank is raising DM350m. with a private placement managed by Bayerische Vereinsbank. This is a seven-year bullet with an indicated 7 per cent coupon and final terms to be set on Thursday, possibly including pricing at slight premium. The Republic of Austria is understood to be likely to borrow another DM100m. in this market next month with a private placement handled by Bayerische Vereinsbank.

Indices

NEW YORK - DOW JONES

Table showing Dow Jones indices for various sectors: Industrial, Homebuilding, Transport, Utilities, and Trading.

STANDARDS AND POORS

Table showing Standard & Poor's indices for various sectors: Industrials, Chemicals, Consumer Goods, and Long Term Bond Yield.

MONTEREAL

Table showing Montreal stock indices for various sectors.

TORONTO

Table showing Toronto stock indices for various sectors.

JOHANNESBURG

Table showing Johannesburg stock indices for various sectors.

Table showing various international indices: Australia, Germany, Hong Kong, Italy, Japan, and Singapore.

AUSTRALIAN WEEKLY LIST

Table listing Australian stocks with columns for company name, price, and change.

TEL AVIV STOCK EXCHANGE

Table listing Tel Aviv stock exchange data, including company names, prices, and changes.

HONG KONG

Table listing Hong Kong stock market data, including company names and prices.

SINGAPORE STOCKS

Table listing Singapore stock market data, including company names and prices.

GERMANY

Table listing German stock market data, including company names and prices.

CANADA

Table listing Canadian stock market data, including company names and prices.

MILAN

Table listing Milan stock market data, including company names and prices.

SWITZERLAND

Table listing Swiss stock market data, including company names and prices.

COPENHAGEN

Table listing Copenhagen stock market data, including company names and prices.

JOHANNESBURG

Table listing Johannesburg stock market data, including company names and prices.

AUSTRALIA

Table listing Australian stock market data, including company names and prices.

CANADIAN WEEKLY LIST

Table listing Canadian stock market data, including company names and prices.

AMSTERDAM

Table listing Amsterdam stock market data, including company names and prices.

TOKYO

Table listing Tokyo stock market data, including company names and prices.

BRUSSELS/LUXEMBOURG

Table listing Brussels/Luxembourg stock market data, including company names and prices.

VIENNA

Table listing Vienna stock market data, including company names and prices.

SPAIN

Table listing Spanish stock market data, including company names and prices.

STOCKHOLM

Table listing Stockholm stock market data, including company names and prices.

OVERSEAS SHARE INFORMATION

NEW YORK

Large table listing various international share information, including company names, prices, and changes.

NOTES: Overseas prices shown below exclude premium, Belgian dividends after after withholding tax, etc.

Messina to sell Electra - Financial Times Reporter. FEDERALVEKABELEGGING F... Development have entered in an agreement whereby Federalveke will subject to the fulfillment of certain conditions, acquire all the shares in the share capital of Electra Television a company of Appliance Company Limited ("Electra") for a cash consideration of R75m., based adjusted net asset value.

Messina holds 68 per cent of the issued capital of Electra. Federalveke has concluded a transaction and is at present investigating the housing of that investment within the Federal Group.

BRUSSELS/LUXEMBOURG - Table listing various European stock market data.

VIENNA - Table listing Vienna stock market data.

SPAIN - Table listing Spanish stock market data.

STOCKHOLM - Table listing Stockholm stock market data.

Additional market data and notes for various European markets.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts and funds, including Discretionary Unit Fund Managers, Hill Samuel Unit Tr. Mgmt., M & G Group, and various international and domestic funds.

REGIONAL MARKETS

Table showing regional market data for various countries and regions, including Australia, Canada, and Europe.

FINANCIAL TIMES STOCK INDICES

Table of stock indices including FT-100, FT-1000, and various regional indices.

HIGHS AND LOWS

Table showing high and low stock prices for various companies.

FT ACTUARIES INDICES

Table of actuarial indices for various insurance companies.

INSURANCE, PROPERTY, BONDS

Large table listing various insurance, property, and bond products from companies like Abbey Life, City of Westminster, and others.

OFFSHORE AND OVERSEAS FUNDS

Table listing offshore and overseas funds, including Arbutnot Securities, Hambros Bank, and various international investment funds.

BASE LENDING RATES

Table showing base lending rates for various banks and financial institutions.

Henry Boot Great people to build with Henry Boot Construction Limited, Dronfield, Sheffield S18 6XR

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

Table of British Funds with columns for Name, Stock, Price, and Yield.

Five to Fifteen Years

Table of funds categorized as Five to Fifteen Years.

Over Fifteen Years

Table of funds categorized as Over Fifteen Years.

Undated

Table of undated funds.

INTERNATIONAL BANK

Table of International Bank funds.

CORPORATION BONDS

Table of Corporation Bonds.

LOANS (Miscel.)

Table of Miscellaneous Loans.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails.

AMERICANS

Table of American funds.

CANADIANS

Table of Canadian funds.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase.

Hire Purchase, etc.

Table of Hire Purchase, etc.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads.

BUILDING INDUSTRY-Continued

Continuation of Building Industry table.

DRAPERY AND STORES-Continued

Continuation of Drapery and Stores table.

ELECTRICAL AND RADIO

Table of Electrical and Radio.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics.

DRAPERY AND STORES

Table of Drapery and Stores.

CINEMAS, THEATRES AND TV

Table of Cinemas, Theatres and TV.

DRAPERY AND STORES

Table of Drapery and Stores.

DRAPERY AND STORES-Continued

Continuation of Drapery and Stores table.

ENGINEERING-Continued

Continuation of Engineering table.

ENGINEERING-Continued

Continuation of Engineering table.

ENGINEERING, MACHINE TOOLS

Table of Engineering, Machine Tools.

ENGINEERING, MACHINE TOOLS

Table of Engineering, Machine Tools.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc.

HOTELS-Continued

Table of Hotels.

INDUSTRIALS (Miscel.)

Table of Industrials (Miscellaneous).

INDUSTRIALS (Miscel.)

Table of Industrials (Miscellaneous).

INDUSTRIALS (Miscel.)

Table of Industrials (Miscellaneous).

HOTELS AND CATERERS

Table of Hotels and Caterers.

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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and ICI, with columns for price, dividend, and other financial metrics.

INSURANCE

Table of insurance companies such as British Overseas Insurance, Commercial Union Assurance, and others.

PROPERTY—Continued

Table of property-related stocks and companies, including various real estate and construction firms.

TRUSTS—Continued

Table of trust companies and funds, including various investment trusts and pension funds.

TRUSTS—Continued

Continuation of the trusts table, listing more trust companies and their financial details.

Advertisement for SANWA BANK, Tokyo, Japan, with the slogan 'Serving the world with financial expertise.'

MINES—Continued

Table of mining stocks, including companies like Anglo American, De Beers, and various metal mines.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade companies, including manufacturers and distributors.

SHIPPERS, REPAIRERS

Table of shipping and repair companies, including shipping lines and ship repair yards.

SHIPPING

Table of shipping companies and related services, including freight and logistics firms.

SOLES AND LEATHER

Table of leather and footwear companies, including manufacturers and retailers.

FINANCE, LAND, ETC.

Table of finance, land, and other miscellaneous stocks, including banks and investment firms.

COMPONENTS

Table of component manufacturers, including parts suppliers for various industries.

GARAGES AND DISTRIBUTORS

Table of garage and distributor companies, including car dealers and service centers.

SOUTH AFRICANS

Table of South African stocks, including companies listed on the Johannesburg Stock Exchange.

OVERSEAS TRADERS

Table of overseas trading companies, including import and export firms.

CENTRAL AFRICAN

Table of Central African stocks, including companies from various African nations.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing companies, including major UK and international publishers.

TEXTILES

Table of textile companies, including manufacturers of fabrics and clothing.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising companies, including publishers and media firms.

TEAS

Table of tea companies, including producers and exporters of tea.

AUSTRALIAN

Table of Australian stocks, including companies listed on the Australian Stock Exchange.

PROPERTY

Table of property-related stocks, including real estate and construction firms.

TOBACCO

Table of tobacco companies, including manufacturers and distributors.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks, including investment firms.

RUBBERS AND SISALS

Table of rubber and sisal companies, including producers and processors.

TINS

Table of tin companies, including producers and exporters of tin.

PROPERTY

Table of property-related stocks, including real estate and construction firms.

TOBACCO

Table of tobacco companies, including manufacturers and distributors.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks, including investment firms.

RUBBERS AND SISALS

Table of rubber and sisal companies, including producers and processors.

MISCELLANEOUS

Table of miscellaneous stocks, including various other companies and sectors.

PROPERTY

Table of property-related stocks, including real estate and construction firms.

TOBACCO

Table of tobacco companies, including manufacturers and distributors.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks, including investment firms.

RUBBERS AND SISALS

Table of rubber and sisal companies, including producers and processors.

NOTES

Notes and commentary on the market, including analysis of stock prices and economic indicators.

PROPERTY

Table of property-related stocks, including real estate and construction firms.

TOBACCO

Table of tobacco companies, including manufacturers and distributors.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks, including investment firms.

RUBBERS AND SISALS

Table of rubber and sisal companies, including producers and processors.

TEAS

Table of tea companies, including producers and exporters of tea.

HAB LORRY LOADER THE MOST EFFICIENT AND WIDELY USED GEORGE COHEN MACHINERY LTD

New problem posed by African leaders

BY QUENTIN PEEL

LEADERS OF THE five front-line African States involved in efforts to promote a Rhodesian settlement to-day presented a thorny new problem for Britain's current mission to southern Africa. They pledged full support to only two out of the four Rhodesian nationalist groups attending the Geneva conference.

Kissinger plan. Rhodesian sources have made it clear that his most fundamental objection is to the inclusion of Mr. Robert Mugabe in any interim government. On Mr. Richard's constitutional proposals, providing for a British role in a transitional Rhodesian Government, President Nyerere said: "We are supporting the Patriotic Front. We will support 'full political, material and diplomatic support' to the Patriotic Front, led by Mr. Joshua Nkomo and Mr. Robert Mugabe, after a summit meeting here with President Kaunda of Zambia and the Premier of Mozambique, and senior Ministers from Angola and Botswana.

Patriotic Front assumes considerable significance following President Nyerere's stand. Mr. Richard's dilemma is that Britain's proposals for a compromise solution are closest to those of Bishop Muzorewa, providing for a British resident commissioner to play a positive balancing role for a National Security Council, equally divided between black and white, to control armed forces. In contrast, proposals put by Mr. Nkomo and Mr. Mugabe at Geneva allow for little more than a titular role for the British representative, and insist that all Ministries, which control essential processes towards independence—clearly including defence and law and order—must be in the hands of the "liberation movement."

Go-ahead sought for part of Windscale plan

BY DAVID FISHLICK, SCIENCE EDITOR

BRITISH NUCLEAR Fuels research and development projects to re-submit its outline planning application for nearly £300m. of investment for its Windscale factory in Cumbria after it could not decide whether to re-submit its plans for the thermal oxide reprocessing plant until it had further discussions with the Government on two crucial issues. The first question for the plant from its earlier application. Government is how long its customers can expect to wait for just before Christmas, Mr. Peter Shore, Environment Secretary. Not until the company can give said he wanted to call in plans potential customers a firm idea for the thermal oxide reprocessing plant, and of the likely delay, and of the going into its safety aspects. But Mr. Shore indicated that, whether it still has any overseas market to justify the plans for reconstructing Windscale the thermal oxide reprocessing concerned with magnox (natural uranium) reprocessing and the active waste were re-submitted separately, they would not be held up. Earlier this year, the Energy Department gave British Nuclear Fuels financial approval for a plant, through a 40 per cent. £245m investment in magnox reprocessing, and for a £40m. signed.

Talks with Japan

measures at EEC or national level. Japan has consistently rejected the EEC's proposal for a 50-50 share of orders made available to Japanese shipbuilding, and to the countries belonging to The Association of Western European Shipbuilders (the EEC, Scandinavia, Portugal and Spain). The EEC argues that this would leave a proportion of orders during the coming years of extreme slump for the developing world and would yield 4m. and 5m. gross tons for the two main groups. However, Japan's shipbuilding plans up to 1980 are based on an annual output of 6.5m. GRT, which is expected to be about half of the total world output. Japanese delegates are expected to plead that any further discussion on the EE proposals would be premature while a range of Government policies are under review following the change of administration in Tokyo in December. In the meantime, a revealing account of the Japanese position has been published in the country's shipping and shipbuilding daily, Kaiji, which is regarded as a reliable statement of government and shipbuilding industry thinking.

£10bn. coal scheme

under Berkshire, the Lincolnshire, the Teiford district, and Oxfordshire. But the main increases in coal production are likely to come from new pits working old coalfields, and extensions to the main Midlands, Scottish and Welsh fields. There is coal in abundance under the North Sea. That has been proved by oil exploration boreholes, which have struck coal seams up to 50 feet thick. But the coal technologists believe it will be well into the 21st century before systems can be devised to exploit coal commercially from under the seabed many miles offshore. Plan 2000 is a confident document. It takes the stand that even with a modest 1-3 per cent. growth in the use of electricity, coal's main market, a coal demand of some 170m. tons a year is to be expected by 2000. The Board's economists believe that increasingly the

Right-wing dissidents threaten Labour's Commons majority

BY PHILIP RAWSTORNE

THE COMMONS reassembles to-day with the Government's precarious majority facing an early threat from dissident right-wing Labour MPs. Mr. Reg Prentice, the former Cabinet Minister, and Mr. John Mackintosh, MP for Berwick and East Lothian, have indicated that they may refuse to vote with the

Government on Wednesday against a Conservative attack on the recent £300m. defence cuts. Mr. Mackintosh, whose abstention in a vote in November enabled the Opposition to enact the Government's Dock Workers Regulation Bill, said at the week-end his support would depend on the Government's explanation of why it had over-riden warnings against the cuts by the Chiefs of Staff.

Directors' pay rise in doubt

FINANCIAL TIMES Reporter

PROPOSALS which could allow five directors of the State-owned Cable and Wireless to have substantial pay rises have been thrown in the balance by a political row. The proposals were submitted by Lord Short, chairman of the company, to Mr. Eric Varley, Industry Secretary—both former Government Whips—and a Government reply is expected this week. If they are accepted, the Cable and Wireless directors, who have been refusing re-election to the Board in a salaries protest, could receive increases of up to 50 per cent. This would bring their pay in line with comparable levels in private industry. However, Mr. Varley denied at the retirement that there had been a deal. The Department of Industry said that Mr. Varley had yet to discuss the proposals with Mr. Short. "There could be no breach of the Government's pay policy," the department said. Mr. Gwilym Roberts, Parliamentary Private Secretary to Mr. Alan Williams, Minister of State for Industry, has criticised the move, reported in the Financial Times on Saturday.

NCB miners to see ministers about retirement

BY OUR LABOUR CORRESPONDENT

MINERS' leaders and National Coal Board officials will meet Government Ministers this afternoon in a bid to pave the way for settlement of the miners' early retirement dispute when negotiations resume later in the week. A basis of agreement was reached last week after several days of bargaining. It centres on lowering the retirement age from 65 to 62 in August with staged reduction to 60 by 1979. It covers only men with 30 years' of underground service. The scheme would be on a voluntary basis for the first year. Those opting for early retirement would receive lump sums of about £300 and about 80 per cent. of their previous earnings until they reach 65. At to-day's meeting the National Union of Mineworkers will ask the ministers—including Mr. Anthony Wedgwood Benn, the Energy Secretary, Mr. Albert Booth, Employment Secretary and Mr. Joel Barnett, Chief Secretary to the Treasury—whether the lump sum payments can be made without jeopardising the industry's pension scheme. If they can, and the Inland Revenue will probably have to be consulted before a decision, the agreement should be settled on Wednesday.

Directors' pay rise in doubt

FINANCIAL TIMES Reporter

There is growing anger among some centre-right Labour MPs about "being taken for granted" by Government Ministers, who appear to them to be ready to make concessions only to left-wing pressures. Mr. George Cunningham, Labour MP for Islington South and Finsbury, said at the week-end there was "an excessive degree of purely voluntary alliance to the Government's own side." He said: "That is what kills the House of Commons stone dead." But in spite of these rumblings Ministers were confident yesterday that the Government would beat off the Tory attack, which is being launched on a procedural motion to reduce the salary of Mr. Fred Mulley, Defence Secretary in a vote in November. The Opposition intend to harass the Government at every opportunity in the coming weeks. Mr. Patrick Jenkin, Shadow Social Services Secretary, said last night the Opposition hoped to drum up enough support in a Commons committee to-morrow to defeat the Government's proposal to restrict the right of occupational pensioners to unemployment benefit. Another political struggle for the Government will start on Thursday with the committee stage of the Devolution Bill.

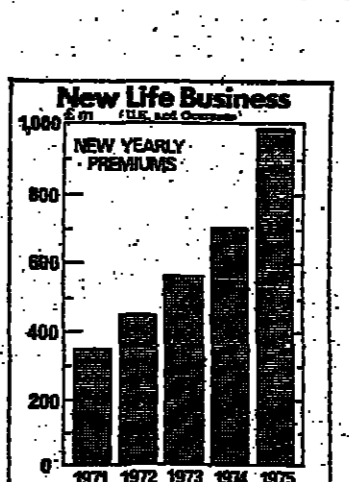
Amendments

Tory leaders intend to mount an immediate effort to exclude Wales from the EEC's provisions. A group of Tory anti-devolutionists will harry the Government on almost every line of the legislation. Some 300 amendments have already been tabled, most of them on the first six of the Bill's 115 clauses. Support from the nationalist MPs and cross-party voting may enable the Government to win most crucial divisions but the 30-day committee debate will subject it to severe strain.

Weather

Table with columns for UK TODAY, BUSINESS CENTRES, HOLIDAY RESORTS, and SNOW REPORTS. Includes forecasts for various cities and resorts.

THE LEX COLUMN Turnround in the life sector



Life insurance shares have shot to the top of the performance tables over the past week: the sector as a whole has risen by an eighth since New Year's Eve, and among the individual companies Equity and Law is a fifth higher. This recovery, which follows a prolonged period of marked share price weakness, has been triggered off by the new business figures which have been flooding out in the past few days.

rather insubstantial argument. This is that the company cannot afford to pay dividends because it needs to build up stocks of high-class jewellery. Such an argument looks a little strange when as recently as September, 1975 the company paid Mr. Graff £260,000 (more than 1974-75s retained profits) in a property deal. In any case an operation with such a high return on capital should be able to rely more heavily on bank borrowings. Graff Diamonds is only going to pay an interim dividend of 1.5p a share for 1976-77 as a farewell gesture if the Sandstar scheme is successful. In other words, the company is offering shareholders an incentive to accept the bid. In a one-man operation the dividing line between the person and the company is bound to be hard to draw, but this is surely going too far.

Graff Diamonds

However dissatisfied outside shareholders in Graff Diamonds may be with the offer of 28p a share from Mr. Laurence Graff (through his company Sandstar), there does not seem to be much they can do to affect the outcome of the meeting on Wednesday. Some 54 per cent of the annual results season gets underway next month. It is the element of duress which is disturbing. Of course, anybody who buys shares in a one-man company can learn in any basic investment manual that the risks are high. But it should work both ways: the entrepreneur also takes a risk with the stock market. Outside shareholders inevitably lose if a company does badly; here they are losing even though considering a bid for the minority should be very careful (the company admits to pre-tax profits of £620,000 after five months against £478,000 in the whole of last year).

This takes us towards the heart of the matter, for a Graff-type scheme is not offering the minority a fair choice of alternatives. The choice is not between a cash offer on the one hand and continuing as before on the other; shareholders either have to take the money or face a future which is not spelt out but certainly does not look promising. "Dividend levels for the foreseeable future," shareholders are told, "may have to be reduced or even eliminated."

Weather

Frost, sunny intervals with sleet or snow. Max. 2-3C (36-37F.). Outlook: Frost, showers, snow.

they are losing even though considering a bid for the minority should be very careful (the company admits to pre-tax profits of £620,000 after five months against £478,000 in the whole of last year). In a sense this is all part of the death throes of the small shareholder in the small quoted profits. In May and June, moreover, Sandstar picked up a 7 per cent shareholding through various market purchases at 25p. Secondly, Mr. Graff—who has put forward some perfectly respectable reasons for wishing to unscramble the flotation in the now changed circumstances—has also resorted to one example.

Advertisement for CRUSADER insurance company. Features a large graphic with the word 'Pension' and 'The next step'. Text includes: 'EMPLOYERS... either your staff will be included in the State Pension Scheme or they can become members of your Company's own Pension Plan. Which step will you take and along which path? If you are seeking advice on the Social Security Pensions Act 1975, ask your broker or pensions advisor about Crusader's approach to the problem or write direct to:-' and 'CRUSADER established 1899 STATE SCHEME opening 1978'. Includes contact information for Douglas W. Scott, Manager, Group Sales & Service Department, Crusader Insurance Co. Ltd., Vincula House, Tower Place, London, EC3P 3BE.

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